

TRACTOR/TRAILER CARGO SYSTEMS

ROLLING TRANSPORT SYSTEMS

Rolling Transport Systems Limited, Rolling Transport Systems (Overseas) Limited, Graham House, Pannells Court, Guildford, Surrey, GU1 4EU.

TEL: GUILDFORD (04483) 70615 TELE: 899457

CONTINENTAL SELLING PRICES: AUSTRIA Sch.12; BELGIUM Fr.20; DENMARK Kr.2.75; FRANCE F.2.20; GERMANY DM1.70; ITALY L.300; NETHERLANDS Fl.1.30; NORWAY Kr.2.75; PORTUGAL Esc.1.50; SPAIN Ptas.36; SWEDEN Kr.2.35; SWITZERLAND Fr.1.50.

# FINANCIAL TIMES

No. 26,879 Tuesday January 27 1976 \*\*\*10p

King & Co. Industrial and Commercial Property

Tel: 01-286 8000 Telex: 885485

## NEWS SUMMARY

GENERAL BUSINESS

### S. Africa troops stay in Angola

South African forces will remain in Angola until the Government receives guarantees that its interests are safe, Mr. Piet Botha, Defence Minister, told the Cape Town Parliament.

Mr. Botha made no mention of the reported withdrawal of South African troops from positions north of the border area, thus maintaining the official silence on his country's involvement in the civil war in Central Africa.

It seems that South African forces have now been redeployed near the Namibian frontier and to protect workers at the Calueque pumping station on the Kunene river. Back and Page 5

GILTS and equities reached new 1975-76 peaks, with gilts still reacting to last Friday's cut in MLR and exhaustion of the



FT GOVERNMENT SECURITIES INDEX

### Italian options

Sig. Aldo Moro, the Italian Premier-designate, appears to have little option between forming a minority Christian Democratic Government and advising President Leone to call new elections. Italy's foreign exchange markets remain closed. Page 6

### Spending control

The Environment Department has tightened its control over expenditure for which its three separate divisions—planning and local government, transport and housing and construction—are responsible. Sir Ian Bancroft, Permanent Secretary, will assume responsibility for finance and Mr. G. C. Wardale, a deputy secretary, takes on a new post as Principal Finance Officer. Back Page

### Bank fraud bid

An attempt has been made to defraud Barclays Bank in France of about \$5.5m. Two men are awaiting trial in Paris on charges of attempted fraud and falsifying documents. Back Page

### Attack on SNP

The Labour Party in Scotland, in a detailed rebuttal of the assumption that Scottish independence, founded on oil revenues, will create greater prosperity, has conceded for the first time that its main political fight is with the Scottish Nationalist Party, while it regards the Tories in Scotland as "virtually irrelevant." Page 8

### Border opened

Israel has opened her northern border to Christian refugees from Lebanon. Highway from Beirut have reopened as gunmen begin to withdraw from the barricades. Page 5

### Break-out foiled

Leicester warders foiled a prison escape bid by police killer Harry Roberts who, it was believed, planned to use a home-made crossbow to fire a line over the prison wall where an accomplice would attack a parcel of guns to it. Page 5

### Stagg 'weaker'

IRA hunger striker Frank Stagg "continues to deteriorate" at Wakefield prison hospital, the Home Office said yesterday. Last week Stagg received the last rites. Page 5

### Briefly...

The French took no chances after last month's guerrilla attack in Vienna when OPEC's Finance Ministers met for two days in Paris. Some 2,500 police were mobilised. Page 6

Conceded arrived almost 90 minutes late in Bahrain after being delayed for two hours at Heathrow by a faulty instrument. France confident. Page 8

East Berlin court jailed Rainer Schubert, a 29-year-old West Berliner, for 15 years for helping nearly 100 East Germans escape to the West. Page 6

Montreal 1976 Olympics organising committee vice-president, Mr. Simon St. Pierre, died from injuries after falling from a horse two weeks ago.

### CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)		
Treasury 3% 1977	53 1/2	+ 1
Treasury 12 1/2% 1992	53 1/2	+ 1 1/2
Allied Colloids	112	+ 9
Alcon Rubber	65	+ 18
Beverley Hambro	185	+ 12
Birmingham Mint	82	+ 10
Bradford Property	128	+ 8
Brookhouse	200	+ 11
Clayton Dewandre	117	+ 25
Coral (L)	41	+ 6
Crouch (D)	41	+ 6
Dixons Photo 'A'	76 1/2	+ 8 1/2
General Accident	184	+ 6
Gibbs (A)	110	+ 8
Hambro	82	+ 3
Hornby	32	+ 8
Jercos Cooper	33	+ 8
Leslie & Godwin	105	+ 9
Lucas Inds	109	+ 6
Norwest Holst	43	+ 4
Polymark	22	+ 3 1/2
Pratt (F)	56	+ 5
RBN	51 1/2	+ 10
Rush & Tomkins	55	+ 10
Sandhurst Mktg	30	+ 5
Tate & Lyle	290	+ 7
Textured Jersey	22	+ 5
Warne Wright	33	+ 5 1/2
Weston Pharm.	77	+ 11
Charterhall Finance	324	+ 3
Cons. Murdockson	880	+ 30
Selection Trust	535	+ 13
Tanganyika Cons.	170	+ 8
Yukon Cons.	100	+ 8
Barton Group 'A'	55	+ 5
Kwikor	77	+ 4
BP	388	+ 5
Charter Cons.	32	+ 15
Johnson	540	+ 40
Southval	545	+ 35

## Government plans measures to tackle unemployment

BY JOHN ELLIOTT AND WILLIAM KEEGAN

Fresh measures aimed at defusing the political row over the growing level of unemployment are to be introduced by the Government during the next few weeks, following an out-poken meeting yesterday between senior Ministers and TUC leaders.

The measures are expected to cover job creation, training and industrial investment and the Government is now considering whether these should be introduced in one or two packages between now and an April Budget.

But TUC leaders made it clear, after they had met the Ministers yesterday, that they are still far from happy and they are now preparing a tough warning to the Government that it is in effect on trial. "This warning will go for approval at the monthly meeting of the TUC General Council to-morrow."

In the meantime, TUC leaders will exert further pressure on the Government through the monthly board meeting of the Manpower Services Commission to-day which will decide how much more Government money it needs to boost job creation and training schemes.

Among the specific items which the Chancellor of the Exchequer yesterday promised the TUC he would be considering were extending the temporary employment subsidy, which the TUC wanted doubled from £10 to £20 a week and applied to mass redundancies, plus more job creation and training facilities.

The list of items also included more financial assistance to companies for the acceleration of industrial investment projects and extra Government finance for industrial stockbuilding which the

Government is planning a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

There are no indications that these are measures separate from and before the annual Budget statement, he declared.

The possibility of two batches of measures is raised by the timing of the Budget during a period when the Government feels it will be under strong pressure to be seen to be acting in the face of the mounting winter unemployment totals.

## Burmah finds tanker finance

BY STEWART FLEMING

Burmah Oil said yesterday that it had entered into a preliminary agreement which could remove from the company the burden of financing the construction of five liquefied natural gas (LNG) carriers.

The carriers, which would be built by the company's subsidiary, the company said, would cost about \$500m.

The preliminary agreement is with General Dynamics Corporation which is building the ships. The proposal is that the company would take over the financing of the carriers and replace Burmah as the equity investor.

### Terminated

Burmah said yesterday that previous discussions with the U.S. company IU International, also aimed at relieving Burmah of the financing burden of the five ships, "had been terminated because arrangements for the carriers could not be worked out."

The company's statement made it clear that the financing formula which it had been considering with General Dynamics required the approval of a number of parties, including the U.S. Maritime Administration.

The arrangements involve a "leveraged lease," which can attract favourable taxation terms with a combination of self-generated and borrowed funds.

### Indonesia

The tankers are to be used to transport liquefied natural gas from Indonesia to Japan under a transportation agreement between a Burmah subsidiary and Pertamina, the Indonesian national oil company.

Burmah decided to take on the construction of the five ships to start with the aim of refinancing later. This proved impossible and therefore Burmah has been financing construction itself.

It was not clear yesterday to what extent it would be repaid for outlays already committed, assuming a firm agreement with General Dynamics is concluded.

Continued on Back Page Editorial comment Page 15

## Wilson asks trawlers to stop fishing

BY JOHN MAGNUSSON IN REYKIAVIK AND MALCOLM RUTHERFORD IN LONDON

MR. HAROLD WILSON yesterday asked the British trawler fleet off Iceland to stop fishing 100,000 tonnes after initial asking and await further instructions.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

The incident came as Mr. Wilson was engaged in talks at 10 Downing Street with Mr. Geir Halgrimsson, the Icelandic Prime Minister, on an end to the fishing dispute. The talks will be resumed this morning.

## JUST HOW HEALTHY ARE YOUR COMPANY'S MOST VITAL ASSETS?

A company's decision-makers are its most vital assets. Ultimate company performance depends on their performance. Protecting their health isn't just a good extra. It's an essential. Particularly under the pressure of today's economic circumstances. BUPA will tailor-make a health insurance scheme to your needs. Key staff are relieved of health problems and worries for themselves and their families. Hospitalisation can be planned to suit business and personal circumstances. The consequences of working under debilitating illnesses are avoided. There's the convenience of a private room and telephone and easy contact. For further details send us the coupon or contact your nearest BUPA office.

A GOOD JOB YOU'VE GOT BUPA

The British United Provident Association Limited  
Provident House, Essex Street, London WC2R 3AX.  
Please let me know how my Company can profit from forming a BUPA Group.

Name \_\_\_\_\_ FT 1/76  
Company \_\_\_\_\_ (Block Capital Please)  
Address \_\_\_\_\_  
Post Code \_\_\_\_\_  
Telephone Number \_\_\_\_\_

BUPA



## LOMBARD

## 'Unbeatableness' of the Japanese

BY C. GORDON TETHER

THE PRICE of £5.75m, which the Japanese quoted to a British carrier for a 27,000-ton bulk carrier, said a news item in last Saturday's FT, "confirm most European shipbuilders' fear that competition with Japanese yards is impossible."

That itself strikes a decidedly ominous note for countries including our own—that badly need to attract additional work if they are to avoid having to carry the process of pruning their already much reduced shipyard work-force even further. But the worry does not end there.

The near-unbeatableness of the Japanese seems to extend well beyond the ship-building business—to motor cars and electronics. And in an increasingly competitive world trading situation, this could materially complicate the difficulties that Britain and other countries are encountering in trying to evolve an export programme that will ensure that they can earn enough abroad on a continuing basis to pay their way.

## Less durable

It is true, of course, that on previous occasions the phenomenon of "unbeatableness" has proved to be much less durable than it initially looked as though it would be. In the years after World War II, it was widely believed that the U.S. had established such a long lead over other advanced countries in the modernisation of industry that seeing that success so often breeds overconfidence—she would never again be overtaken. As it turned out, though, American pre-eminence was something more than a five-minute wonder, it began to be seriously challenged as European recovery got into its stride. And by the 1960s, it was American industries that were having a bit of a job to keep up.

Similarly, with the passage of time, the threat to everybody else's markets from German parity has been shown to be somewhat less formidable than was supposed when it first made its appearance on the scene—though admittedly partly because the competitive thrust of German goods has, in more recent years, been blunted by the considerable rise in the international price of the Dollar.

However, there is a first time for everything, and the Japanese capability for knocking everyone else for six over a wide range of productive activity is now becoming something of a long-running story. So much so, indeed, that it is beginning to look as though they may possess faculties of such a unique kind that we shall have to reckon upon their being

able to continue out-classing their competitors on a more or less permanent basis.

As everyone knows, Japanese invincibility has already played a major part in precipitating the almost complete collapse of two major British industries—motorcycles and TV tubes—and has greatly complicated the viability problems of that producing motor vehicles. It can thus be said to have added a new dimension to Britain's long-standing balance of payments problem. And it is clearly destined to add indirectly to another aspect of that problem that has been attracting increasing attention in the recent past.

Thus it is now coming to be internationally accepted that if the less-developed countries are to be provided with room to raise their foreign exchange earnings to adequate levels by stepping up exports of the things they can most easily produce, the advanced countries must be prepared to phase out the production of such less sophisticated manufactures as textiles. To make good the resulting run-down in their external earnings, the new gospel runs, they will have to place a much greater emphasis on the production of goods falling in the technologically advanced categories.

## Orderliness

It hardly needs to be pointed out that if British industries producing goods of the more sophisticated type are constantly having to grapple with Japanese competition of such a devastating kind, this answer to the problem presented by the running down of traditional industries will be to a significant extent nullified.

What, then, is to be done? We can always hope that, in the longer-run, the Japanese will start resting on their laurels and thereby make it somewhat easier for their foreign rivals to compete with them.

In the meantime, there may be a good deal to be said for encouraging them to revive the "orderly marketing" concept that the endeavours of the Japanese, as it turned out, to sell through admittedly partly because the competitive thrust of German goods has, in more recent years, been blunted by the considerable rise in the international price of the Dollar.

## RACING

## Champion set to take honours

JOSH GIFFORD and his stable jockey, Bob Champion, look set to take the honours in the Newmarket Novices' Chase (1.45). Although he has not been out in public over fences before, Mannyboy, a strong bay son of Manicou, is reported to have been the bigger obstacle, and Gifford is certain to have schooled him well.

The first from this trio to run is Mannyboy, who was sent to the Novices' Chase (1.45). Although he has not been out in public over fences before, Mannyboy, a strong bay son of Manicou, is reported to have been the bigger obstacle, and Gifford is certain to have schooled him well.

I expect to see Mannyboy, who ought to have an affinity in his trip of 3 miles 2 furlongs, which he is tackling for the first time, score at the main expense of the consistent but luckless Bit of Manicou, a respectable third behind Dawn Breaker and Monksgate at Chesham eight days ago.

Man on the Moon, whom Gifford saddles for the 2.15 combe Chase (3.15) has been en-

joying a particularly successful season, having won three races and been third on his only other two outings.

A disappointment at Sandown in November, where Spouty jumped over the fence in the ground at several fences in the

highly competitive Hampton Court Chase, in which he finished a well-beaten favourite behind Noble Neptune and Tudor View, Man on the Moon came right back to the best in his field's World Chase three weeks ago.

There, Man on the Moon kept on gamely under pressure on the run-in to throw a determined challenge from Whiff, to whom he was conceding 5 lbs.

## SALE ROOM

BY ANTONY THOENECROFT

## Record £540 for firemark

A record auction price of £540 was paid at Phillips' yesterday for a firemark, a metal plaque which was fixed to the wall of a house in the early 19th-century lead mark of the Suffolk and General Country Amicable Insurance Office, which thrived between 1799 and 1849.

The plaque was a centre-piece of a specialised sale devoted to firemarks, and the 50 lots totalled £4,315, a good enough total to encourage Phillips to hold more sales in this latest sector of the antique market.

The previous auction record for a firemark was £250, but yesterday's purchaser, a former insurance broker, Mr. E. Newton Linaker, was very keen to add it to his collection of 550 firemarks.

He is chairman of the Firemark Circle, which is devoted to spreading knowledge of this specialist preoccupation. An Old Wives' Tale which can be squashed in that the early common law brigades allowed a house to burn if it carried the firemark of a rival insurance firm.

Christie's, where a successful sale of Chinese jades and snuff bottles totalled £35,457. For example, W. Clayton paid £300 for a pair of 18th-century Chinese snuff bottles, and a pair of 18th-century Chinese snuff bottles, and a pair of 18th-century Chinese snuff bottles.

Among the snuff bottles, Hugh Moss bid £550 for an early (late 18th century) hornbill bottle, carved in relief with a sage and a boy beneath a pine tree.

Stethby's also concentrated on things small—and relatively inexpensive—with a sale of miniatures and silhouettes, which made £1,424. The top price was the £220 which secured a silhouette of about 1795 of an officer by John Buncombe.

There was also the first day of a book sale at Stethby's which made £25,330. For example, a set of 18th-century Chinese snuff bottles, and a pair of 18th-century Chinese snuff bottles, and a pair of 18th-century Chinese snuff bottles.

## TV Top 20

Week ended January 18

	Homes viewing (m.)
1 This is Your Life Thms.	5.40
2 Sale of the Century Anglia	5.00
3 Crossroads (Wed.) ATV	7.90
4 Crossroads (Thurs.) ATV	7.90
5 Opportunity	7.70
6 Coronation Street (Mon.) Gran.	7.70
7 Coronation Street (Wed.) Gran.	7.70
8 Crossroads (Fri.) ATV	7.60
9 Love Thy Neighbour Thms.	7.40
10 And Mother	7.25
11 The Life and Death of Pense	7.10
12 Happy Ever After BBC	7.05
13 Celebrity Squares ATV	7.05
14 New Faces	6.95
15 The New Faces	6.95
16 The New Faces	6.95
17 The New Faces	6.95
18 The New Faces	6.95
19 The New Faces	6.95
20 The New Faces	6.95

## WINE

BY EDMUND PENNING-ROWSELL

## Keep an eye on the bottle

ATTENTION has been paid recently to the size and content of bottles containing wine and spirits, as well as to the matter of their alcoholic strength. Recently (December 6) in this paper Kenneth Gooding discussed the matter as it affects spirits, in the context of moves to reduce both strength and content in order to keep the price of a bottle of Scotch under 12p.

The matter is now relevant with fortified wines, notably sherry, as since January 1 sherry no more than a certain strength (18 degrees) pays a lower duty than it would otherwise pay. The question of bottle size is complicated enough to cause a good deal of misunderstanding, partly owing to the varying regulations of different countries. Above all, the distinction between capacity and contents is confusing. Most regular wine drinkers are aware that a standard French-made claret or burgundy bottle has "75cl" on the glass, whereas the label of a standard Italian table-wine bottle will invariably include the figures "75cl".

It might be thought, therefore, that a bottle containing 75cl of wine is more than a similar-shaped Italian bottle, but this is not so. For the French figure refers to the capacity of the bottle, not the quantity of wine it contains.

## Confusion

Another pair of confusing examples are German and Alsace bottles. The former has a label which reads "75cl" and the latter "75cl". It is not now, as examination of a French-bottled burgundy will show, Champagne, however, is sold in a bottle which is smaller than the normal German bottle, and it is not now, as examination of a French-bottled burgundy will show, Champagne, however, is sold in a bottle which is smaller than the normal German bottle.

new labelling of wines. More over, our spirit measures relate to minimum quantities and not to minimum strength. We will be going over to these later, in 1980.

We also have different methods of reckoning alcoholic strength from those used on the Continent, and we still have to hope that the Empire will soon be as obsolete as the Empire throughout which its writ once ran. However, the equivalence between different methods of measurement are fairly readily worked out. The strength of whisky is the same as 40 degrees of pure alcohol on a bottle of brandy. The 20cl fluid oz wine bottle is the same as 25cl of brandy.

But are not all these visually imperceptible changes a considerable deception upon the consumer? When one goes to buy a bottle of whisky, port, sherry or any other wine, one expects to buy the standard, traditional size pertaining to that particular item. Of course they may vary. Not all are aware that brandy is sold in a bottle containing 24 fl. oz., but then it always has been and there is no deception there.

## Diluted

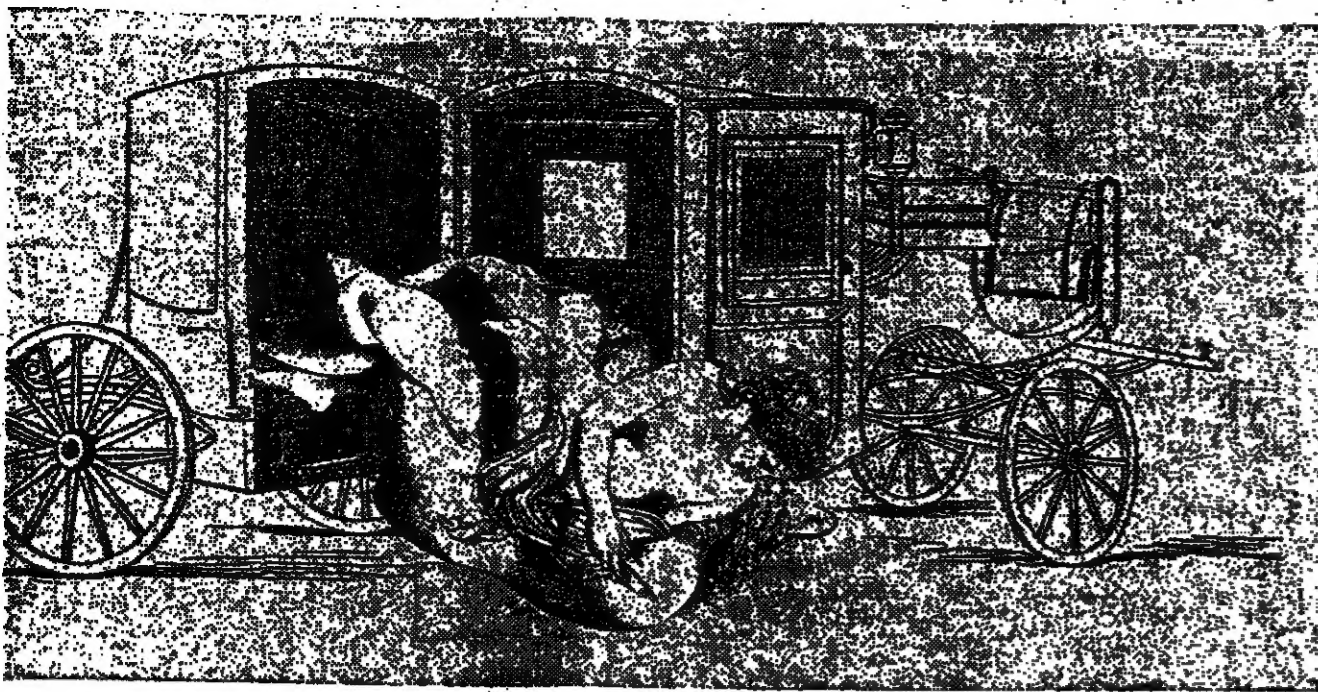
However, as noted elsewhere, there have recently been significant departures here from what have always been regarded as the standard bottles for various types of wine and spirit. In large part, they have stemmed from the fact that the duty on spirits has been raised from 80p to 90p on normal strength, and 25p on all wines. There has always been a marginal amount of whisky sold at lower strength, as is the case with "cocktail" gin, and is standard for home-produced vodka, but by law spirits cannot be sold below 65 proof without being labelled as diluted.

Yet to-day there is a sizeable amount of Scotch on the market in smaller bottles (24cl, 30cl, 35cl, 40cl, 45cl, 50cl, 55cl, 60cl, 65cl, 70cl, 75cl, 80cl, 85cl, 90cl, 95cl, 100cl, 105cl, 110cl, 115cl, 120cl, 125cl, 130cl, 135cl, 140cl, 145cl, 150cl, 155cl, 160cl, 165cl, 170cl, 175cl, 180cl, 185cl, 190cl, 195cl, 200cl, 205cl, 210cl, 215cl, 220cl, 225cl, 230cl, 235cl, 240cl, 245cl, 250cl, 255cl, 260cl, 265cl, 270cl, 275cl, 280cl, 285cl, 290cl, 295cl, 300cl, 305cl, 310cl, 315cl, 320cl, 325cl, 330cl, 335cl, 340cl, 345cl, 350cl, 355cl, 360cl, 365cl, 370cl, 375cl, 380cl, 385cl, 390cl, 395cl, 400cl, 405cl, 410cl, 415cl, 420cl, 425cl, 430cl, 435cl, 440cl, 445cl, 450cl, 455cl, 460cl, 465cl, 470cl, 475cl, 480cl, 485cl, 490cl, 495cl, 500cl, 505cl, 510cl, 515cl, 520cl, 525cl, 530cl, 535cl, 540cl, 545cl, 550cl, 555cl, 560cl, 565cl, 570cl, 575cl, 580cl, 585cl, 590cl, 595cl, 600cl, 605cl, 610cl, 615cl, 620cl, 625cl, 630cl, 635cl, 640cl, 645cl, 650cl, 655cl, 660cl, 665cl, 670cl, 675cl, 680cl, 685cl, 690cl, 695cl, 700cl, 705cl, 710cl, 715cl, 720cl, 725cl, 730cl, 735cl, 740cl, 745cl, 750cl, 755cl, 760cl, 765cl, 770cl, 775cl, 780cl, 785cl, 790cl, 795cl, 800cl, 805cl, 810cl, 815cl, 820cl, 825cl, 830cl, 835cl, 840cl, 845cl, 850cl, 855cl, 860cl, 865cl, 870cl, 875cl, 880cl, 885cl, 890cl, 895cl, 900cl, 905cl, 910cl, 915cl, 920cl, 925cl, 930cl, 935cl, 940cl, 945cl, 950cl, 955cl, 960cl, 965cl, 970cl, 975cl, 980cl, 985cl, 990cl, 995cl, 1000cl, 1005cl, 1010cl, 1015cl, 1020cl, 1025cl, 1030cl, 1035cl, 1040cl, 1045cl, 1050cl, 1055cl, 1060cl, 1065cl, 1070cl, 1075cl, 1080cl, 1085cl, 1090cl, 1095cl, 1100cl, 1105cl, 1110cl, 1115cl, 1120cl, 1125cl, 1130cl, 1135cl, 1140cl, 1145cl, 1150cl, 1155cl, 1160cl, 1165cl, 1170cl, 1175cl, 1180cl, 1185cl, 1190cl, 1195cl, 1200cl, 1205cl, 1210cl, 1215cl, 1220cl, 1225cl, 1230cl, 1235cl, 1240cl, 1245cl, 1250cl, 1255cl, 1260cl, 1265cl, 1270cl, 1275cl, 1280cl, 1285cl, 1290cl, 1295cl, 1300cl, 1305cl, 1310cl, 1315cl, 1320cl, 1325cl, 1330cl, 1335cl, 1340cl, 1345cl, 1350cl, 1355cl, 1360cl, 1365cl, 1370cl, 1375cl, 1380cl, 1385cl, 1390cl, 1395cl, 1400cl, 1405cl, 1410cl, 1415cl, 1420cl, 1425cl, 1430cl, 1435cl, 1440cl, 1445cl, 1450cl, 1455cl, 1460cl, 1465cl, 1470cl, 1475cl, 1480cl, 1485cl, 1490cl, 1495cl, 1500cl, 1505cl, 1510cl, 1515cl, 1520cl, 1525cl, 1530cl, 1535cl, 1540cl, 1545cl, 1550cl, 1555cl, 1560cl, 1565cl, 1570cl, 1575cl, 1580cl, 1585cl, 1590cl, 1595cl, 1600cl, 1605cl, 1610cl, 1615cl, 1620cl, 1625cl, 1630cl, 1635cl, 1640cl, 1645cl, 1650cl, 1655cl, 1660cl, 1665cl, 1670cl, 1675cl, 1680cl, 1685cl, 1690cl, 1695cl, 1700cl, 1705cl, 1710cl, 1715cl, 1720cl, 1725cl, 1730cl, 1735cl, 1740cl, 1745cl, 1750cl, 1755cl, 1760cl, 1765cl, 1770cl, 1775cl, 1780cl, 1785cl, 1790cl, 1795cl, 1800cl, 1805cl, 1810cl, 1815cl, 1820cl, 1825cl, 1830cl, 1835cl, 1840cl, 1845cl, 1850cl, 1855cl, 1860cl, 1865cl, 1870cl, 1875cl, 1880cl, 1885cl, 1890cl, 1895cl, 1900cl, 1905cl, 1910cl, 1915cl, 1920cl, 1925cl, 1930cl, 1935cl, 1940cl, 1945cl, 1950cl, 1955cl, 1960cl, 1965cl, 1970cl, 1975cl, 1980cl, 1985cl, 1990cl, 1995cl, 2000cl, 2005cl, 2010cl, 2015cl, 2020cl, 2025cl, 2030cl, 2035cl, 2040cl, 2045cl, 2050cl, 2055cl, 2060cl, 2065cl, 2070cl, 2075cl, 2080cl, 2085cl, 2090cl, 2095cl, 2100cl, 2105cl, 2110cl, 2115cl, 2120cl, 2125cl, 2130cl, 2135cl, 2140cl, 2145cl, 2150cl, 2155cl, 2160cl, 2165cl, 2170cl, 2175cl, 2180cl, 2185cl, 2190cl, 2195cl, 2200cl, 2205cl, 2210cl, 2215cl, 2220cl, 2225cl, 2230cl, 2235cl, 2240cl, 2245cl, 2250cl, 2255cl, 2260cl, 2265cl, 2270cl, 2275cl, 2280cl, 2285cl, 2290cl, 2295cl, 2300cl, 2305cl, 2310cl, 2315cl, 2320cl, 2325cl, 2330cl, 2335cl, 2340cl, 2345cl, 2350cl, 2355cl, 2360cl, 2365cl, 2370cl, 2375cl, 2380cl, 2385cl, 2390cl, 2395cl, 2400cl, 2405cl, 2410cl, 2415cl, 2420cl, 2425cl, 2430cl, 2435cl, 2440cl, 2445cl, 2450cl, 2455cl, 2460cl, 2465cl, 2470cl, 2475cl, 2480cl, 2485cl, 2490cl, 2495cl, 2500cl, 2505cl, 2510cl, 2515cl, 2520cl, 2525cl, 2530cl, 2535cl, 2540cl, 2545cl, 2550cl, 2555cl, 2560cl, 2565cl, 2570cl, 2575cl, 2580cl, 2585cl, 2590cl, 2595cl, 2600cl, 2605cl, 2610cl, 2615cl, 2620cl, 2625cl, 2630cl, 2635cl, 2640cl, 2645cl, 2650cl, 2655cl, 2660cl, 2665cl, 2670cl, 2675cl, 2680cl, 2685cl, 2690cl, 2695cl, 2700cl, 2705cl, 2710cl, 2715cl, 2720cl, 2725cl, 2730cl, 2735cl, 2740cl, 2745cl, 2750cl, 2755cl, 2760cl, 2765cl, 2770cl, 2775cl, 2780cl, 2785cl, 2790cl, 2795cl, 2800cl, 2805cl, 2810cl, 2815cl, 2820cl, 2825cl, 2830cl, 2835cl, 2840cl, 2845cl, 2850cl, 2855cl, 2860cl, 2865cl, 2870cl, 2875cl, 2880cl, 2885cl, 2890cl, 2895cl, 2900cl, 2905cl, 2910cl, 2915cl, 2920cl, 2925cl, 2930cl, 2935cl, 2940cl, 2945cl, 2950cl, 2955cl, 2960cl, 2965cl, 2970cl, 2975cl, 2980cl, 2985cl, 2990cl, 2995cl, 3000cl, 3005cl, 3010cl, 3015cl, 3020cl, 3025cl, 3030cl, 3035cl, 3040cl, 3045cl, 3050cl, 3055cl, 3060cl, 3065cl, 3070cl, 3075cl, 3080cl, 3085cl, 3090cl, 3095cl, 3100cl, 3105cl, 3110cl, 3115cl, 3120cl, 3125cl, 3130cl, 3135cl, 3140cl, 3145cl, 3150cl, 3155cl, 3160cl, 3165cl, 3170cl, 3175cl, 3180cl, 3185cl, 3190cl, 3195cl, 3200cl, 3205cl, 3210cl, 3215cl, 3220cl, 3225cl, 3230cl, 3235cl, 3240cl, 3245cl, 3250cl, 3255cl, 3260cl, 3265cl, 3270cl, 3275cl, 3280cl, 3285cl, 3290cl, 3295cl, 3300cl, 3305cl, 3310cl, 3315cl, 3320cl, 3325cl, 3330cl, 3335cl, 3340cl, 3345cl, 3350cl, 3355cl, 3360cl, 3365cl, 3370cl, 3375cl, 3380cl, 3385cl, 3390cl, 3395cl, 3400cl, 3405cl, 3410cl, 3415cl, 3420cl, 3425cl, 3430cl, 3435cl, 3440cl, 3445cl, 3450cl, 3455cl, 3460cl, 3465cl, 3470cl, 3475cl, 3480cl, 3485cl, 3490cl, 3495cl, 3500cl, 3505cl, 3510cl, 3515cl, 3520cl, 3525cl, 3530cl, 3535cl, 3540cl, 3545cl, 3550cl, 3555cl, 3560cl, 3565cl, 3570cl, 3575cl, 3580cl, 3585cl, 3590cl, 3595cl, 3600cl, 3605cl, 3610cl, 3615cl, 3620cl, 3625cl, 3630cl, 3635cl, 3640cl, 3645cl, 3650cl, 3655cl, 3660cl, 3665cl, 3670cl, 3675cl, 3680cl, 3685cl, 3690cl, 3695cl, 3700cl, 3705cl, 3710cl, 3715cl, 3720cl, 3725cl, 3730cl, 3735cl, 3740cl, 3745cl, 3750cl, 3755cl, 3760cl, 3765cl, 3770cl, 3775cl, 3780cl, 3785cl, 3790cl, 3795cl, 3800cl, 3805cl, 3810cl, 3815cl, 3820cl, 3825cl, 3830cl, 3835cl, 3840cl, 3845cl, 3850cl, 3855cl, 3860cl, 3865cl, 3870cl, 3875cl, 3880cl, 3885cl, 3890cl, 3895cl, 3900cl, 3905cl, 3910cl, 3915cl, 3920cl, 3925cl, 3930cl, 3935cl, 3940cl, 3945cl, 3950cl, 3955cl, 3960cl, 3965cl, 3970cl, 3975cl, 3980cl, 3985cl, 3990cl, 3995cl, 4000cl, 4005cl, 4010cl, 4015cl, 4020cl, 4025cl, 4030cl, 4035cl, 4040cl, 4045cl, 4050cl, 4055cl, 4060cl, 4065cl, 4070cl, 4075cl, 4080cl, 4085cl, 4090cl, 4095cl, 4100cl, 4105cl, 4110cl, 4115cl, 4120cl, 4125cl, 4130cl, 4135cl, 4140cl, 4145cl, 4150cl, 4155cl, 4160cl, 4165cl, 4170cl, 4175cl, 4180cl, 4185cl, 4190cl, 4195cl, 4200cl, 4205cl, 4210cl, 4215cl, 4220cl, 4225cl, 4230cl, 4235cl, 4240cl, 4245cl, 4250cl, 4255cl, 4260cl, 4265cl, 4270cl, 4275cl, 4280cl, 4285cl, 4290cl, 4295cl, 4300cl, 4305cl, 4310cl, 4315cl, 4320cl, 4325cl, 4330cl, 4335cl, 4340cl, 4345cl, 4350cl, 4355cl, 4360cl, 4365cl, 4370cl, 4375cl, 4380cl, 4385cl, 4390cl, 4395cl, 4400cl, 4405cl, 4410cl, 4415cl, 4420cl, 4425cl, 4430cl, 4435cl, 4440cl, 4445cl, 4450cl, 4455cl, 4460cl, 4465cl, 4470cl, 4475cl, 4480cl, 4485cl, 4490cl, 4495cl, 4500cl, 4505cl, 4510cl, 4515cl, 4520cl, 4525cl, 4530cl, 4535cl, 4540cl, 4545cl, 4550cl, 4555cl, 4560cl, 4565cl, 4570cl, 4575cl, 4580cl, 4585cl, 4590cl, 4595cl, 4600cl, 4605cl, 4610cl, 4615cl, 4620cl, 4625cl, 4630cl, 4635cl, 4640cl, 4645cl, 4650cl, 4655cl, 4660cl, 4665cl, 4670cl, 4675cl, 4680cl, 4685cl, 4690cl, 4695cl, 4700cl, 4705cl, 4710cl, 4715cl, 4720cl, 4725cl, 4730cl, 4735cl, 4740cl, 4745cl, 4750cl, 4755cl, 4760cl, 4765cl, 4770cl, 4775cl, 4780cl, 4785cl, 4790cl, 4795cl, 4800cl, 4805cl, 4810cl, 4815cl, 4820cl, 4825cl, 4830cl, 4835cl, 4840cl, 4845cl, 4850cl, 4855cl, 4860cl, 4865cl, 4870cl, 4875cl, 4880cl, 4885cl, 4890cl, 4895cl, 4900cl, 4905cl, 4910cl, 4915cl, 4920cl, 4925cl, 4930cl, 4935cl, 4940cl, 4945cl, 4950cl, 4955cl, 4960cl, 4965cl, 4970cl, 4975cl, 4980cl, 4985cl, 4990cl, 4995cl, 5000cl, 5005cl, 5010cl, 5015cl, 5020cl, 5025cl, 5030cl, 5035cl, 5040cl, 5045cl, 5050cl, 5055cl, 5060cl, 5065cl, 5070cl, 5075cl, 5080cl, 5085cl, 5090cl, 5095cl, 5100cl, 5105cl, 5110cl, 5115cl, 5120cl, 5125cl, 5130cl, 5135cl, 5140cl, 5145cl, 5150cl, 5155cl, 5160cl, 5165cl, 5170cl, 5175cl, 5180cl, 5185cl, 5190cl, 5195cl, 5200cl, 5205cl, 5210cl, 5215cl, 5220cl, 5225cl, 5230cl, 5235cl, 5240cl, 5245cl, 5250cl, 5255cl, 5260cl, 5265cl, 5270cl, 5275cl, 5280cl, 5285cl, 5290cl, 5295cl, 5300cl, 5305cl, 5310cl, 5315cl, 5320cl, 5325cl, 5330cl, 5335cl, 5340cl, 5345cl, 5350cl, 5355cl, 5360cl, 5365cl, 5370cl, 5375cl, 5380cl, 5385cl, 5390cl, 5395cl, 5400cl, 5405cl, 5410cl, 5415cl, 5420cl, 5425cl, 5430cl, 5435cl, 5440cl, 5445cl, 5450cl, 5455cl, 5460cl, 5465cl, 5470cl, 5475cl, 5480cl, 5485cl, 5490cl, 5495cl, 5500cl, 5505cl, 5510cl, 5515cl, 5520cl, 5525cl, 5530cl, 5535cl, 5540cl, 5545cl, 5550cl, 5555cl, 5560cl, 5565cl, 5570cl, 5575cl, 5580cl, 5585cl, 5590cl, 5595cl, 5600cl, 5605cl, 5610cl,



## Max Ernst

by WILLIAM PACKER



Ernst: The Rubbish-tip, or Any port in a storm

artists, rather like old to live on the heroic of their youth, and per- the more substantial elements of their maturity, every fade gracefully away, every utterance and pro- course he has made his mark through his association with Dada, and then the Surrealist cause, which his work epitomised and illustrated: but, in common with the best of his contemporaries, he went further. His explorations were as much in technical as psychological fields, and the World having moved on, somewhat therein lies a great part of its interest to us. We respond now to the fact of his painting, to the way it is done, to its colour and handling and texture, quite as much as to its imagery. As with the best Art of the past, a balance is held between form and content, means and end. Sir Roland Penrose's recent gift of surrealist works to the Tate Gallery enhances our holding of Ernst's work, and demonstrates the point.

The exhibition at the Institute of Contemporary Art, in the Mall, Braque, Matisse, Picasso and, achieved this state in and we are left with Ernst, his only peer.

We like to classify our artists, to make them safe, but they are ever likely to escape. Ernst has never been anything but Surrealist, but equally he is more than that, never constrained within that simple category. Of course he has made his mark through his association with Dada, and then the Surrealist cause, which his work epitomised and illustrated: but, in common with the best of his contemporaries, he went further. His explorations were as much in technical as psychological fields, and the World having moved on, somewhat therein lies a great part of its interest to us. We respond now to the fact of his painting, to the way it is done, to its colour and handling and texture, quite as much as to its imagery. As with the best Art of the past, a balance is held between form and content, means and end. Sir Roland Penrose's recent gift of surrealist works to the Tate Gallery enhances our holding of Ernst's work, and demonstrates the point.

Some media he has made peculiarly his own: collage, for example, though his claims to its invention are questionable, he introduced and authenticated as an accepted weapon in the graphic artist's armoury of techniques. It elevated the child's trick of taking a rubbing from a coin or the grain of a table-top, into a flexible and profound means of visual expression, rich in direct metaphor and sub-conscious association. There are many fine examples on show.

Collage, too, has been a constant pre-occupation. In the years around 1930 he composed a number of novels which were in

effect surrealist scenarios suggested most ambiguously by the curious tableaux of which they were made. The material for them was culled from Victorian magazines, which in themselves are strange enough, being both descriptive and yet nightmarishly unreal. In Ernst's hands they were jumbled and re-assembled, invested with monstrous figures, half-human, half-monster, the 'impassive' particularities of the original murders, and sexual improbabilities. They are both witty and disturbing, and repay some close inspection.

This exhibition is by no means comprehensive, but it is useful and even important. Though it deals only with one aspect of the artist's work, and that only in part, it does confirm his reputation, and it carries a salutary reminder to those of us who are too ready to forget or ignore the life's work of an old man, or write it off as of no consequence. The best of it may have been done some time ago, but it remains good, and should be seen.

This show, which has been put on with the help of the Arts Council, remains at the ICA until February 29.

## ence opera

## La traviata

by WILLIAM WEAVER

couple of seasons ago. I live on occasion. In the scene of a Traviata at the Teatro Venice in Venice, which d Beverly Silks, with as Schippers conducting. The Carlo Menotti production received a mixed response from the Italian critics. It was glad to see the same action announced—through a different cast—for this season at the Teatro male in Florence. It opened on a recent Saturday, and I myself sharing the enthusiasm of my local colleagues, is, indeed, a superb staging. It's masterpiece: a view of work that can serve as a for future interpreters.

rest of all, Schippers. The once orchestra these days is rously unpredictable. It can had nights—as in the 40s month ago—even in the of Riccardo Muti, who is only a first-rate artist but a real friend of this extra. Magically, Schippers unusually sensitive, need playing from the entines. There was all the dred glitter in the two party es, but there were also some 'tearing pianissimi. There infinite levels of sound, and individual instruments—'s and 's—all made tive contributions.

Schippers had a responsive Last spring, the Romanian rno Mariana Niculescu was in Florence at Titiana in peng Onegin. Though she aled an attractive voice and rafeul stage presence, she y seem to have grasped the y implications of the live role. Violettis is surely easier to sing, but it is tously more congenial to the ag artist's temperament. She a totally winning Traviata: a few years, she may well be feat one. There was a reckless ity in her singing of the act, not out of character, for matter, but such as to make listeners slightly apprehen-

in Rome, and he was the Onegin in Florence last year (staged by Menotti). A dashing, Lescat, an aristocratic Posa, he was an unexpectedly drah, uneasy Onegin. As Germont, he looked right, and he sang correctly, but not inactively. The role is not yet his.

Menotti's staging was the perfect mixture of restraint and invention. Some falling touches (Violetta, carrying flowers, drops them when she learns the elder Germont's identity) were not allowed to distract the spectator or block the flow of the drama. Even Florio's entertainments were not interrupted by a more the story. Claudio Gattine designed the effective costumes, and Renzo Mongiardino was responsible for the appropriate

## Oxford Playhouse

## Fitting for Ladies

by GARRY O'CONNOR

Fitting for Ladies was Feydeau's first three-act farce to achieve fame and the first play he ever wrote, though it was not staged till he had had numerous shorter works performed. It centres on the amorous escapades of a certain Dr. Moulineux and numerous cases of mistaken identity accrue among three married couples. None of the wives or husbands manage to consummate their extramarital escapades and all come to rest in reconciliation, presided over by Moulineux's confused mother-in-law.

Two acts are set in Moulineux's flat and the middle one skips off to the dressmaker's shop which Moulineux abhor- tively hires for his pleasure. For a farce the problem is that the plot is so packed with confused identities that it does not sim-

ply sufficiently to mount as it should to some resounding dénouement. Incidental comedy, however, abounds.

It is on the social types and the individual's witlings that one concentrates in Gordon McDougall's production. The latter are well served by Edward de Souza as Moulineux though there is a potential extra dimension of headlong continuity missing in this performance. Jenny Quayle's Yvonne coaxes the wifely indignation along with some pretty posturing and Tenniel Evans, Veronica Clifford, and Paul Alexander produce some well-lauged at stereotyped playing, which could be more particularised. Colin Bennett as the doctor's man-servant serves with splendid aplomb: the size and decisiveness of his comic authority tend to put some of

the other performances in the shade.

The same is true of Mr. Bennett's performance in the first of the two plays, *Don't Walk Around With Nothing On*. Here he plays a Le Figaro journalist who enters to interview the politician Ven- troux but in a short while finds himself extracting a wisp of hair from the bottom of Ven- troux's skimpily attired wife. It is worth visiting the theatre just to find out how all this is seen from across the way by Clémenceau. Indeed this curtain-raiser has many qualities which would benefit *Fitting for Ladies*: every idea, every action, is used again and again with deadly logic as the situation by the end becomes inescapably hilarious. Same team otherwise, as the main offering, but it really is a case of the horse-d'oeuvre stealing the show.

## Young Jazz Musicians '76

The Greater London Arts Association has selected two jazz groups as Young Jazz Musicians '76 in the first year of this scheme. The two winning groups—Joy and John Walters' Land- scape—will be performing in concert at Ronnie Scott's, 47, Frith Street, London, W1, on Sunday, February 22.

Auditions for the scheme took place last November and members of the Association's Music Advisory Panel were helped by Charles Alexander of the Jazz

## Bolshoy on BBC

The first international television transmission from Moscow's Bolshoy Theatre will be screened by the BBC in March. Viewers will see the Bolshoy Ballet dance Prokofiev's *Romeo and Juliet*, with Natalia Bogdanova and Mikhail Lavrovsky in the leading parts.

## Peter Saunders acquires Duke of York's

The Duke of York's theatre has been bought by impresario, Peter Saunders, for an undisclosed price. The first production there, in 1962, was *The Admirable Crichton*, followed two years later by the premiere of *Peter Pan*. Currently playing is *Roger's Last Stand*.

## New York ballet

## A welcome shove by MARY CLARKE

The long Christmas-New Year shutdown in England presents those of us who want to work with two alternatives: catch up on jobs at home or leave the country. This year I quit to sample the dance mania that is sweeping America. Time, and sheer quantity of dance on offer, meant I had to concentrate on New York, but I think it worth recording that the easy, charming *Nutcracker* in Cincinnati, Ohio could fill the 3,600-seat Music Hall for eleven perform- ances. And with no starry guests.

Starry guests, super-starry guests, were the great talking, arguing point in New York. Balanchine will have none of them: his New York City Ballet is "an instrument of repository" yet of course reputations are made and cherished there, as with our Royal Ballet. It was good to see Suzanne Farrell back with her parent company, good to see a wonderfully fast performance of Balanchine's *Spartacus*.

Merce Cunningham no longer signed his dance contracts with a quiet presence to the "Events" at his Westbeth Studio where his young dancers explore the intricacies, grave and joyful, of changes of direction that are characteristic of his style.

Martha Graham, for whom Cunningham danced at the beginning of his career, now comes to stage appearances mostly to majestic curtain calls. Her company can fill the Mark Hellinger Theatre even without

her new star, Rudolf Nureyev, for whom she has already written two works. *Lucifer*, which I did not see, and *The Scarlet Letter* seemed to me to have virtually nothing to do with what Graham stands for and everything to do with what Nureyev enjoys doing. I was happy to see a good revival of *Appalachian Spring* and a superb performance of *Serenade* by Diaghilev, two of Graham's finest works, danced by her own company.

The super-star argument rages most fiercely over the present policy of lack of policy of American Ballet Theatre. The company, which is in fine fettle, invites so many guests that it is falling to absorb them fully into the repertoire and letting them indulge far too much in pyrotechnics to delight the fans. Fans and balletomania seemed to have taken over at the Uris Theatre (where A.B.T. played their Christmas season) and art and industry were very mixed, with a brisk trade going on during intermission in the sale of buttons, T-shirts, souvenirs, signed ballet slippers and all sorts of paraphernalia. I was horrified by their Coppelia in which the delightful Gelsey Kirkland (ex-NYCB) and Mikhail Baryshnikov (ex-Kirov) were

invited to throw in just as much virtuosity as they pleased. Baryshnikov, especially, performed wonders—but to what end? Screams and yells.

The same two dancers gave another evening, a beautiful account of the Don Quixote pas de deux in a version not too far

after Petipa. An unannounced bonus was Baryshnikov dancing *Le Spectre de la Rose* with sensitive Marianna Tcherkassky. "Scenery and Lady's Costume by Leon Bakst" was a downright lie, but the staging by André Eglevsky and Annabelle Lyon (who had it from Fokine) was good and Baryshnikov must have soaked himself in the photographs of Nijinsky in Lincoln Lodge, two of Graham's finest works, danced by her own company.

The nadir in this starry galaxy came, in my opinion, with a new ballet commissioned from John Neumeier called *Hamlet Comotations*. He had Baryshnikov as Hamlet, Marcia Haydee (from Stuttgart) as Gertrude, Gelsey Kirkland as Ophelia, Erik Bruhn as Claudius and William Carter as the Ghost. The ballet has the same programme quote as did Robert Helpmann's 1942 *Hamlet* " . . . to die, to sleep; To sleep, per- chance to dream," etc. What we saw, danced to Aaron Copland music, was a work in two parts. Introductions ("Piano Variations"), and Actions ("Comotations" for Orchestra). *Hamlet Comotations* was fraught with half digested literary allusions and ideas. The style of dance was basically classical but, with some modernistic slaps and grappings and none of the dancers added one iota to their reputations. Indeed, the costumes and the choreography both conspired to show Haydee and Bruhn in the worst possible light.

All was forgiven (or nearly) on January 9 when the premiere of Twyla Tharp's *Push Comes to Shove* showed precisely the direction in which A.B.T. should be heading. This most Ameri- can of choreographers gave the company, a smash hit that used a star, Baryshnikov, as he should be used, in new choreography in a company ballet. He shared the honours with the luscious Martine van Hamel and with Tcherkassky; but the work was a company triumph and, above all, a triumph for the choreographer who received the loudest ovation. A Prelude danced to Joseph Lamb's Bohemian Rag 1919 set the audience alight with anticipation and the rest of the ballet, danced to Haydn's 32nd Symphony, never faltered in its craft, skill and speed. Twyla Tharp (whose great gifts were recognised in these pages when she brought her own group to the Round House in 1974) is surely the most exciting and original of young American choreographers. She welds every kind of dance into a style that sometimes seems casual but is in fact strongly structured. Her admiration for early American jazz and for Buster Keaton, for tap dancing and classical ballet, give her an enormous range. She choreographs not only for her dancers but in *Push Comes to Shove* also much part of the action. New Yorkers call her style "Tharp dance" or "Twyla dance" and she calls it "city dance." It's real dance because it does not pretend to be anything but dance. The antithesis of Neumeier. The creed of Balanchine.

## Purcell Room

## Dowland

by NICHOLAS KENYON

The Consort of Musicks have produced almost instrumentally: his clean lines sustained well the constant suspensions and resolutions of Dowland's melodies. The sound was attractive in its lower register, but higher there was a tightening instead of a relaxation which deprived many songs of their true climaxes. His style was best suited to the dissonance-filled penitence of the religious songs from *A Pilgrim's Solace*, but less suited to either the more lively or the more despairing songs, which needed firmer characterisation and a more varied vocal sound.

Trevor Jones's bass viol added a welcome firmness to the bass line (often missed in voice and lute recitals), and he made much of his imitative entries in those songs whose lower parts were more vocally conceived. Anthony Rooley's lute and varied lute very simplicity: it consisted of accompaniments provided many solo songs from each of the com- posers of the evening's subtleties. As posed in chronological order, the credit for this sensitivity by Martyn Hill (tenor) was

by Anthony Rooley and Trevor Jones. They sat around a simply decorated table which made the Purcell Room stage, look (for once) at for human as an art- icle the very intimate style of performance matched the singing. Martyn Hill's tenor voice was moments, despair is not far away.

## Elizabeth Hall

## Michel Beroff

by MAX LOPPERT

Only the Debussy group was unarguably successful in Michel Beroff's piano recital on Sunday afternoon. Yet there was so much life and freshness, so much of native musical understanding, in the less satisfactory performances, that by concert's end it was hard not to be won over by the young French pianist's flair and imagination.

Mr. Beroff was at his least persuasive in Schumann's *Humoreske*. Partly it was a matter of pedalling (after all these many years of tolerating the Elizabeth Hall's acoustical mark, pianists still appear reluctant to appreciate the damage that unchecked it can work upon busy textures and inner voices; partly, an inability to characterise with fullest fancy the succession of humour in the music. So that start was cool, limp, with an exquisitely natural sense of Schumann's smplice marking; then the following paragraph, soon fogged up, its ally "Pour les octaves" least semi-quaver caprices blurred in out of the piano with the kind of gleaming and glistening mood, insufficiently dramatised. Mr. Beroff was sometimes admir- able in his quick, instinctive understanding of the way encounter.

South Africa has:  
Four business centres, 1000 miles apart.  
Nine main languages.  
A new Companies Act.  
Tough Exchange Control regulations.  
And one of the fastest growing markets in the world.  
You need:  
A full service bank.

If you're interested in doing business in South Africa you'll need information. And advice. You'll need to deal with a bank that knows the market.

The Standard Bank can help. We've been in South Africa since 1862, in fact we were here before anyone else. And we offer you a highly diversified range of services.

## THE STANDARD BANK OF SOUTH AFRICA LIMITED.

Provides commercial and international banking services and has an Exchange Control Consultant to advise you. There are more than 860 offices of the bank throughout the Republic and South West Africa.

## STANDARD MERCHANT BANK LIMITED.

Offers a full range of merchant banking services, including acceptance credits, cash advances, medium term loans, mergers, flotations, all corporate financial activities, investment advice, portfolio management, etc.

Deposits are taken on call, at notice and for periods of up to 36 months fixed.

## STANDARD BANK NATIONAL.

INDUSTRIAL CREDIT CORPORATION LIMITED. Finances the hire purchase of vehicles, machinery and equipment either through a dealer

or direct. Vehicle and equipment leasing. All forms of dealer finance.

Accepts deposits, for periods ranging from call to 36 months. Issues negotiable Certificates of Deposit. Deposits may be made direct or through any branch of the Standard Bank of South Africa Limited, free of commission.

STANDARD BANK INSURANCE BROKERS LIMITED. Incorporated Insurance Brokers. Specialist advisers on all forms of insurance.

STANDARD BANK FINANCIAL SERVICES LIMITED. A management company for Participation Mortgage Bonds. Accepts investments in Participation Mortgage Bonds and provides finance for commercial and industrial properties.

INTERNATIONAL FACTORS (SOUTH AFRICA) LIMITED.

Credit factoring, both domestic and export, through our subsidiary International Factors with associates in twenty countries around the globe. We look after your credit checking problems, handle your collections and accept the bad debt risk on your credit sales. We can help you find markets for your products here and overseas.



**Standard Bank**  
The Standard Bank of South Africa Limited (Incorporated in South Africa)  
You've got a business partner over here.

A member of the Standard Chartered Bank Group

The Business Development Manager, Standard Bank of South Africa Ltd P O Box 3862 Johannesburg 2000.

1276/2/78/2000

## SOMETHING SWISS IN THE CITY!

In regard to the increasing number of people to whom time is not merely important but precious, we have opened a superb new showroom in the CITY OF LONDON at 14-15 POULTRY E.C.2. Telephone: 01-236 8780.

## Watches of Switzerland Ltd

Specialists in the sale and service of the world's finest watches, and experts in the new electronic and quartz technology. Officially appointed agents for all top brands.

Other branches in London & throughout Gt. Britain.



## WORLD TRADE NEWS

## Bechtel replaces Chemico in Algeria

ALGERIA, Jan. 26. ALGERIAN national oil company Sonatrach said it has hired Bechtel International to complete construction of a large natural gas liquefying plant at Arzew near Oran taking over a contract from Chemico. A subsidiary of General Tire and Rubber Company.

Last November 18 Sonatrach cancelled its contract with Chemico and initiated legal proceedings for compensation through the International Chamber of Commerce charging that Chemico failed to meet its contractual obligations. AP-DJ.

## Duke of Kent vice-chairman of BOTB

BRITAIN'S EXPORT efforts are to receive a royal boost within the next few months when the Duke of Kent joins the British Overseas Trade Board as vice-chairman.

The Duke, who is soon to leave the Army after 23 years service, is reported to have been specially interested in promoting exports for a number of years and joined the BOTB last year.

In the unpaid part time post of vice-chairman he is expected to play a leading role in the series of regional conferences which the BOTB started last year.

He will also liaise with the board's regional groups, acting as link with the main board in London, and will attend overseas trade fairs and other British trade functions.

The BOTB's regional conferences are two day affairs, of which a further eight are planned this year. They consist of visits to successful region exporters followed by discussions between experts and local businessmen on the problems of overseas trade.

## Ro-Ro service to Nigeria

By James Buxton

A ROLL-ON roll-off shipping service from Britain to Nigeria begins next month carrying 60 trailers from Avonmouth to the Nigerian port of Warri.

The operators of the service, Inland Shipping and Forwarding, and Dickie C.L. (Continental) Haulage, have been given authorisation by the Nigerian Ports Authority to dock and unload on arrival. It should thus avoid the congestion which is still seriously affecting all Nigerian ports, and means that goods will reach their destination in Nigeria within three or four days of reaching Nigeria, which is 11 days sailing time from Britain.

The ship will probably unload at night, taking only a few hours and one of the conditions for acceptance of cargo is that it must be pre-cleared with Nigerian customs in order to avoid delays. The service, which starts between February 10 and 15, will initially be frequent as demand builds up.

Although the service will try to attract traffic from Nigeria to Britain, charges will initially be set on the basis of travelling fully laden only to the outward journey, since Nigeria's export trade, apart from oil, is very small.

In order to overcome the serious shortage of tractors for hauling trailers in Nigeria, the companies operating the service are to export 30 tractors with the first voyage.

## Hitachi to manufacture TV tubes in Finland

BY LANCE KEYWORTH

HELSINKI, Jan. 26.

THE FINNISH Government has finally approved the establishment of a joint public-private company that will produce TV tubes and other electronic components. The decision comes after more than a year of negotiation with the private sector partners in the venture and has met with considerable criticism.

The new company will have a share capital of Fmk.50m. (S\$5m.), 60 per cent. subscribed by the State, 20 per cent. by Salora Oy, Finnish TV set maker, and the remaining 20 per cent. by Hitachi of Japan, which will provide the technical know-how. The cost estimate for the project is around Fmk.200m.

Production target for the first phase is 300,000 colour TV tubes a year. Most of this will be taken by Salora, which has built up a flourishing export business for colour TV sets in Britain and, more recently, Africa. Between 50,000 and 100,000 tubes a year will be marketed by Hitachi in West Europe.

One of the main arguments for the project is that it will be an import-substitution venture. At present, all TV tubes are imported. The value of these imports in 1975 was about Fmk. 100m.

The opponents of the scheme—and they include members of the coalition Cabinet—point to the recent closure of Thoma Colour Tubes as a warning against risky undertakings when capital is in very short supply in Finland and could be put to better uses in other branches. Moreover, the special glass required for the tubes is not made in Finland and amounts to about 45-50 per cent. of the value of the finished product.

However, this is an interesting example of the recent trend in Finland towards joint public-private ventures in capital intensive undertakings. They have worked well in the chemical industry, so far the only branch in which they have been attempted.

Lorne Barling adds: The European television industry yesterday expressed surprise at the announcement, particularly at the large sum being invested for an output of 300,000 tubes a year. It was felt that the factory must be intended for much higher volume in the future.

From the U.K. point of view, with the Thorn-RCA colour tube plant at Skelmersdale, Lancs., now closing down, it was not with alarm "It is a very sad thing for the U.K. industry," one company said.

The proportion of Finnish Government investment in the project was also regarded as unfavourably high for Hitachi's interests, although this could be regarded as the price for getting what may be a back door into Europe.

## Japan in Soviet nuclear talks

BY PETER DUMINY

TOKYO, Jan. 26.

A JAPANESE industrial mission of 14 members is spending the week in Moscow for discussions that may lead to the building of 10 nuclear power plants in Russia with a possible price tag of \$1.3bn.

The mission, led by Mr. Yoshiyuki Ishizaki of Mitsubishi Heavy Industries, is the sequel to a proposition made by the Russians at high-level Russo-Japanese economic talks in Moscow last year. This was that the Japanese should state the terms on which Japanese industry could supply the components of pressurised water reactor (PWR) plants of Russian design, with a view to installing 10,000 megawatts of generating capacity by 1980. In the West, PWR nuclear plants are generally referred to as the Westinghouse-type, but the fact that Mitsubishi has access to Westinghouse technology under licence is apparently coincidental.

Other companies represented at the talks, which are said to be "essentially technical and of a preliminary nature," are Hitachi, Toshiba, Ishikawajima-Harima Heavy Industries (IHI), Fuji Electric and Japan Steel Works. Of these, Hitachi and Toshiba hold overseas nuclear technology under licence while IHI and Japan Steel Works have a proven capability in the building of pressure vessels.

According to Mitsubishi it is premature to speculate on the value of the possible contracts. Among other reasons, it is not certain that Japanese industry will be supplying complete plants as distinct from mere components. However it is expected that contractual talks will follow later in the year.

In 1975 Japanese exports to Russia increased by 49 per cent. to \$1.6bn. and the USSR outshaded Britain (which took Japanese goods worth \$1.47bn.) for the first time as a Japanese export market.

Several large capital projects are in various stages of implementation or to the pipeline. They include an ammonia plant, steelmaking equipment, and manufacturing facilities for epoxy paint, chrome dioxide (for magnetic tape) and synthetic rubber.

The Japanese appear confident that the nuclear power deal will not fall foul of the Coordinating Committee for Export Control (COCOM).

## World Car Markets

## German sales advance 24%

BY ADRIAN DICKS

BONN, Jan. 26.

CAR SALES in West Germany advanced steadily during 1975 from the recession levels of the previous year, with new registrations reaching a total of 2,106,048 vehicles. This increase of 24.4 per cent. provided some relief to a depressed market, though registrations remained well below the levels of 1972-73.

Volkswagen, with sales of 481,353 cars, easily kept its lead in the market, though its share slipped a point from 23.3 to 22.8. Among other German manufacturers, Ford and BMW both increased their market shares, as did Opel, while Daimler-Benz slipped in spite of selling some 23,000 more cars.

Imports last year accounted for a quarter of all cars sold in Germany, and of the total of 524,655 units, about half were supplied by French manufacturers. Renault sales slipped by over 2,000, and its market share also declined, though it remained the largest-selling single foreign manufacturer. Fiat, only just behind in sales and market share, made up considerable ground.

WEST GERMAN CAR SALES			
	1975	1974	%
Volkswagen	481,353	393,700	22.8
Opel	381,397	296,750	17.9
Ford	286,750	169,791	16.2
Daimler-Benz	195,520	172,739	10.4
BMW	128,637	83,670	5.8
Renault	119,889	122,224	5.5
Fiat	111,413	92,448	5.5
Audi/NSU	107,640	121,802	5.3
Chrysler	58,337	58,160	3.5
Citroen	50,097	42,455	2.5
Peugeot	48,722	46,044	2.7
Alfa Romeo	34,348	19,218	1.7
Nissan/Datsun	14,492	12,925	0.7
Volvo	14,246	9,104	0.5
British Leyland	13,228	12,925	0.7
Others	7,316	7,199	—
Total	2,106,048	1,888,270	100

## Recovery under way in France

BY RUPERT CORNWELL

PARIS, Jan. 26.

THE LONG-AWAITED recovery in the French motor industry is now firmly under way. This emerges from the 1975 statistics just issued by the Manufacturers Federation, showing a 16 per cent. jump in both production and sales in December despite a decline for the year as a whole.

Total output at 2,38m. units was almost 5 per cent. down on 1974, 8 per cent. below the record year of 1973 and still 1 per cent. lower than in 1972. Last month however the trend was sharply reversed with an increase of 16.25 per cent. to almost 257,000.

Registrations on the domestic market had fallen even more abruptly by 5 per cent. in a year to 1.69m. and a point some 12 per cent. below 1972. But December once again saw a strong upturn to 150,000 units, cutting the drop from 1974 to only 2.7 per cent. from as much as 14.6 per cent. recorded over the first six months. The foreign share of the market rose to 20.5 per cent. from 18 per cent. in 1974 and close to the 20.8 per cent. of 1973.

As usual, the most-encouraging news was struck by exports, which for the full year rose by 0.25 per cent. to reach 80 per cent. of production. In December 1975 the advance topped 8 per cent. despite the weakness of certain foreign markets and what the Federation considers the excessive strength of the French franc. Domestic sales of the foreigner plunged 39 per cent. in 1975 to less than 32,000 units but a rise of over 50 per cent. in exports limited the full output to 1.6 per cent. at 49,300 units.

## AMERICAN NEWS

## Third World UN resolution backs Palestine state

BY OUR OWN CORRESPONDENT

A GROUP of Third World countries today submitted a resolution to the UN Security Council to have it affirm that the Palestinian people should have "the right to establish an independent state of Palestine," the key issue in the Middle East debate that began a fortnight ago.

The Council was meeting later to-night to consider the resolution, and a United States veto appeared certain. Britain was expected either to vote or abstain from voting.

The resolution called for the Council's affirmation "that Israel should withdraw from all the Arab territories occupied since June 1967"—a hardening of the language of Resolution 242 of November, 1967, which referred only to "territories occupied."

Today's text also called for "appropriate arrangements" to guarantee the sovereignty, territorial integrity and political independence "within secure and recognised boundaries of all states in the area."

While the sponsoring countries, which are Benin (formerly Dahomey), Guyana, Pakistan, Panama, Romania and Tanzania, did not refer to the Geneva peace conference and Kaysar's proposal that the Palestine Liberation Organisation should meet in its own right, the resolution also affirmed the Palestinian people's right to self-determination and national independence should be taken into account "in all international efforts and conferences organised within the framework of the United Nations" on the Middle East question.

## Rabin will test new mood in U.S.

BY DAVID SELL

WASHINGTON, Jan. 26.

MR. YITZHAK RABIN, the Israeli Prime Minister, arrives in the United States to-morrow for a crowded 11-day visit during which he will be feted by the President and address a joint session of Congress and become the first foreign leader in this bicentennial year to pay homage to the Liberty Bell in Philadelphia.

But all the honeyed words that will be spoken during his visit will deceive an one, least of all Mr. Rabin. For he and the Israelis, accompanying him, are already acutely aware of the subtle changes that are taking place in U.S. Middle East policy. Support for Israel may still be the cornerstone of its policy, but it is not nearly as unshakable as it once was and the relationship between Israel and the U.S. is now coming under strains of a kind never experienced before.

Dr. Henry Kissinger, U.S. Secretary of State, revealed yesterday that he is planning a fresh approach to the Palestinian problem. Mr. Rabin is going to be pressed to outline what proposals he may have for a way forward, particularly over the Palestinian problem.

For the plain fact is—and Mr. State Department's denial notwithstanding—Rabin knows it as well as Dr. Kissinger, that the U.S. has been steadily moving away from its long-held position of support for Israel. The U.S. has yet to work out in any detail what its new proposals should be, but Dr. Kissinger knows how tight the Israeli position is. By May, when President Ford is in the midst of his second term, the U.S. must either be new Golan disengagement into Lebanon, which opened the way for the current Middle East peace agreement or something to put in its place.

The third alternative—a "no war, no peace" situation—is favoured by some Israelis; but Palestinians at the UN in order to protect Israel. But this will be election prospects no good at all. For some Israelis of course, the cost of leaving the U.S. is looking in the world body over election is an incentive to station in the U.S. Middle East. Dr. Kissinger has invested so much in wooing moderate Arab opinion that he is not likely to accept this isolation easily and hean Government would be strong enough to take more time to outline what proposals he may have for a way forward, particularly over the Palestinian problem.

Yet Dr. Kissinger seems determined to push for some way out of the current impasse, and the Rabin knows it as well as Dr. Kissinger, that the U.S. has been steadily moving away from its long-held position of support for Israel. The U.S. has yet to work out in any detail what its new proposals should be, but Dr. Kissinger knows how tight the Israeli position is. By May, when President Ford is in the midst of his second term, the U.S. must either be new Golan disengagement into Lebanon, which opened the way for the current Middle East peace agreement or something to put in its place.

## Canadian dollar rise may be inflationary

By Victor Mackie

OTTAWA, Jan. 26.

THE STRENGTHENING of the Canadian dollar close to parity with the U.S. dollar over the past 10 days is posing a threat to the federal government's anti-inflation policy. On Monday, the Canadian dollar was up to 80.5¢ U.S.

Last week it reached as high as 80.9¢ after reductions of the U.S. discount and prime lending rates. The reason for the spread that now exists between high Canadian interest rates dictated by 9 per cent bank rates, and dropping U.S. rates, together with the prospects of large Canadian offshore borrowing this year.

The Bank of Canada is following a restrictive policy to support the anti-inflation programme. But a strong Canadian dollar hampers exports and one of the keys to Canadian recovery is an expansion of exports to the U.S.

Mr. Gerald Boney, Governor of the Bank of Canada, has fixed a target range of 11-14 per cent. for growth of the money supply.

## Inflation sends Alaska pipeline cost to \$7bn.

BY GUY DE JONQUIERES

NEW YORK, Jan. 26.

THE estimated cost of constructing the Trans-Alaska oil pipeline has risen again to about \$7bn. The previous estimate, published by the Alyeska Pipeline Consortium only last June, put the cost at about \$5.4bn.

The latest increase is attributed to higher costs across the board and is based on Alyeska's experience of its first season of work on the pipeline proper. Previous work has been confined to the laying of roads and the preparation of the pipeline route.

The consortium emphasised that its latest figure was only an estimate and said that it hoped to be able to achieve some savings through improved productivity. Almost all the work needed for the pipeline have now been ordered, it added.

Meanwhile, Standard Oil of Ohio—which will share half the cost of the pipeline with its sister company, British Petroleum—disclosed today that it has raised its estimate of the cost of developing its oil and gas fields at Prudhoe Bay to \$1.2bn.

Sohio has already spent about \$70m of this amount in addition to the pipeline proper. It is committed to contributing about \$25m towards the cost of building a power station and a gas compression plant in the area.

Despite the latest cost increase, BP is understood to estimate and said that no change will be made to the pipeline project. The BP announced that it planned to build a further \$150m in the pipeline have now been ordered, it added.

## Jackson 'advised CIA on Senate probe'

BY DAVID SELL

WASHINGTON, Jan. 26.

SENATOR HENRY JACKSON, Howard Hughes, to supply one of the Democratic candidates for the Presidential nomination, advised the CIA on Monday of these details: how to protect itself from a Senate investigation into the Agency's relationship with ITT one report—the third such in Chile, according to the final eight months—is likely to increase the pressure for new Congressional controls on the report.

The report, parts of which were obtained by the New York Times to-day, also says that the CIA was effectively beyond the scrutiny of Congress and that the secret budget figures that it provided to Congress were three or four times lower than the amount the agency actually spent.

Among other things the report reveals that the National Security Agency illegally eavesdropped on overseas telephone calls, that the FBI broke its own rules by keeping in its file details of intimate sexual gossip about well-known figures and that the CIA requested Robert Mabeu, a former top aide to Mr. Jackson, to conduct its operations.

## Britain seeking uniform EEC policy on Chile

By Hugh O'Shaughnessy

THE FOREIGN and Commonwealth Office, currently reeling from the future of Anglo-Chilean relations in the light of the Chilean case, is seeking a uniform policy towards Chilean companies towards the Pinochet regime towards Chile.

This was stated by an spokesman yesterday, who said that the Chilean question is being actively considered by the Foreign Office, and that the British Government is seeking a uniform policy towards Chilean companies towards the Pinochet regime towards Chile.

It is widely expected that the EEC will eventually settle on a uniform policy towards Chilean companies towards the Pinochet regime towards Chile.

## Dr. Kissinger woos Senate on Spain deal

WASHINGTON, Jan. 26.

DR. HENRY KISSINGER, U.S. Secretary of State, today begins efforts to win Senate approval for the potentially controversial military treaty agreed with Spain on Saturday.

Senators will this morning have their first look at the treaty, administration officials said. The pact, which must be passed by the Senate before it can come into effect, extends U.S. use of four Spanish military bases for five years at a cost of \$1.2bn.

Dr. Kissinger concluded the treaty in Madrid on his way home from Moscow where he held talks last week with Leonid Brezhnev, the Soviet party chief, on limiting strategic arms. Now he is back in Washington, the Secretary of State plans an immediate top-level study of a surprise Soviet proposal to reduce the ceiling of 2,400 nuclear missiles and bombers for each of the two super-powers.

A senior U.S. official aboard Dr. Kissinger's plane strongly suggested that the U.S. viewed the proposal favourably, but said Washington would not make a counter offer until the study was completed in mid-February.

On the latest Soviet proposal, the official said both President Ford and Defence Secretary Donald Rumsfeld appeared favourably disposed towards it, although it would not be accepted as it now stands.

The proposed reduction of the strategic weapons ceiling was understood to be a face-saving way for the Soviet Union to accept a new range of American Cruise missiles—not covered by the 1974 ceiling.

The New York Times said today that, by signing a military treaty with Spain, the U.S. had given a dramatic vote of confidence to the Madrid Government, despite abundant evidence of its continuing repression.

## Wallace success blow to Carter

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, Jan. 26.

GOVERNOR George Wallace's success in the Mississippi state caucus, over the week-end, threatens to make life very difficult for Governor Jimmy Carter in the crucial Florida primary on March 9.

A key part of Mr. Carter's strategy is his ability to run Governor Wallace close in the Deep South, the Alabama heartland, and thus show himself to be a viable liberal democrat who can win votes in an area of the U.S. which has proved infertile ground for the national Democratic party in recent elections.

Mr. Carter, the peanut farmer who was Governor of Georgia, got off to a surprisingly good start in Iowa on January 19, when he comfortably headed the field in state caucuses. But in Mississippi, according to the latest tally this morning, his 17 per cent. was well behind Governor Wallace's 41 per cent., with the remainder of the field strung out behind but with about a quarter of the interim delegates committed to no candidate.

In Florida, only Senator Henry Jackson from Washington State of the serious contenders will interfere with a Wallace-Carter fight. Although Senator Jackson considers the Massachusetts primary on March 2 to be the first major test of his appeal, he did very badly in both Iowa and Mississippi, even allowing for his minimal effort, and is at the moment, clearly, struggling.

time, showed the ability to delegates, playing by national rules of the game, also noted that for the first time in a dozen years, the Democratic Party in Florida was not only the party of "regulators," men who have been accused of running the national party, but the black "loyalists," who have been expected to turn backs on Mr. Wallace.

But the principal reason from Mississippi is that Wallace spent both time and has given good reason he will be a factor—even a principal one—in the Democratic go-ahead to the caucus of electing nominees for the presidential election.

Florida demonstrate how potent a really be.

There was one other prospect of this week's activity: Senator Lloyd B. Bentson, who spent both time and has given good reason he will be a factor—even a principal one—in the Democratic go-ahead to the caucus of electing nominees for the presidential election.

Florida demonstrate how potent a really be.

There was one other prospect of this week's activity: Senator Lloyd B. Bentson, who spent both time and has given good reason he will be a factor—even a principal one—in the Democratic go-ahead to the caucus of electing nominees for the presidential election.

Florida demonstrate how potent a really be.

## Bank Morgan Labouchere N.V.

is the new name of the bank now jointly owned by Amsterdam-Rotterdam Bank N.V. (AMRO) and Morgan Guaranty Trust Company of New York. Bank Morgan Labouchere continues the business of Labouchere & Co. N.V. and offers a wide range of financial services, including both domestic and international commercial banking, securities transactions, and leasing.

Tesselschadestraat 12, Amsterdam  
Telephone 160011; Telex 12220



## OVERSEAS NEWS

## India denies assisting Bangladesh rebels

By Kevin Rafferty

SINGAPORE, Jan. 26.

INDIA BANGLADESH sources claim that India is assisting a group of several hundred rebels who are attacking the eastern borders of Bangladesh. In the latest incidents on Monday and Tuesday night, the forces are understood to have overrun one of the Bangladesh border posts in the Jessore district, with a number of casualties on both sides.

New Delhi strenuously denies the charges of collaboration in the attack on Bangladesh and says that officials in Dacca have been invited to inspect the border on the Indian side, but have so far refused.

However, the Bangladeshis are backed by both Western and Eastern sources who work in the border area of Mymensingh. According to these observers, who include Western Christian missionaries, but who asked not to be identified by name for fear of being refused entry to India, the weapons used in the attacks have included rifles, sub-machine guns, and two- and three-inch mortars.

One foreigner who knows the border area and the order people very well told me "If India had not helped them, there would be no way in which the rebels could be here."

So far there has been no official public comment from Major General Zia ur Rahman, the Chief of Staff of the Bangladesh Army, about the activities north Bengal, and the authorities in Dacca have tried to still comment in the West.

Some Bengalis in the border regions claim that the rebels are equipped with Chinese weapons which, they claim, have been taken by the Indians from the captured and defeated Pakistan Army in 1971. The rebel leader is generally acknowledged by both India and Bangladesh to be Kader (Tiger) Siddiqui who came to prominence as a guerrilla leader during the liberation war against Pakistan and later won international fame by leading the public uttering of a group of illegal collaborators.

The official Indian attitude to the claims of foreign observers is that they are honest but may be misguided by the official Bangladesh propaganda—though the Bangladesh Press has kept quiet about the border struggle.

## Roads in Beirut reopen as gunmen quit barricades

BY ISHAN HIAZI

BEIRUT, Jan. 26.

LEBANON moved one more step towards normal life today as highways were re-opened and gunmen began to withdraw from the barricades.

The Higher Military Committee composed of senior Lebanese, Syrian and Palestinian officers announced this morning that armed men were pulling back from their positions in Beirut. The forces are scheduled to disengage over a 36-hour period beginning at 6 a.m. this morning.

For the first time in more than a month the road to the northern port of Tripoli was safe for traffic while congestion reduced movement of vehicles on the southern road to Sidon to a crawl. The main Damascus-Beirut highway was declared safe after a four week closure.

Units of the Lebanese Army and police have begun to take positions along the main road arteries to ensure the safety of the public and property.

These new measures were announced yesterday by Mr. Rashid Karami, the Prime Minister.

ter, after meetings with top Maronite leaders, including Mr. Camille Chamoun, the Minister of the Interior, and Mr. Pierre Gemayel of the Phalange Party at the Presidential palace.

The smooth way in which Mr. Karami's instructions were carried out has created some optimism here that this time the ceasefire will work. The reopening of the roads would mean an end to the blockade mounted by Right-wing Christian forces against the Palestinian refugee camps at Tal al Zatar and Jisr al Bash, in the Beirut eastern suburbs.

The siege triggered off the last round of fighting and brought the Palestinian commando movement into the conflict with the subtly weighted backing of reinforcements from Syria.

Two newspapers here, Al Nabar and its French-language sister daily L'Orient-Le Jour, claimed that 1,500 additional troops from the Palestine Liberation Army entered Lebanon from Syria yesterday. This could not be confirmed officially, however.

Units of the PLA were already on patrol in the Moslem districts here and in the residential Ras Beirut area. Members of the public, enjoying a sense of security for the first time for several months have surged onto the streets in this area in large numbers, enjoying the sunny weather.

Although the centre of Beirut remained deserted, hundreds of men, women and children were out at Al Baouche overlooking the Mediterranean and mixing with pedestrians to cigarettes, sweets and fruit.

Despite the agreement by the Maronite leaders yesterday to go along with the Syrian initiative for solving the crisis, they have indicated publicly their concern about the PLA presence here. Mr. Gemayel said that it was disturbing that Syria and the Palestinians should be in charge of security in certain parts of Lebanon, "even though they are our brothers."

## S. African artillery 'still in action'

By Jane Bergeron

LUANDA, Jan. 26.

DESPITE suggestions that the South African army has already withdrawn from battle areas in Angola, MPLA troops in the Ceta region of the southern front reported coming under bombardment from heavy South African artillery yesterday.

Although MPLA Government officials here continue to feel that a complete and early withdrawal of the South African army from Angola is highly unlikely, they are keeping a close watch on events in Cape Town, where Mr. Vorster's nationalist Government is facing a no-confidence motion over its Angola policy.

The MPLA Government has, however, been cheered by U.S. overtures during the past week by a young aide from the staff of Democratic Senator John Tunney.

There is a growing feeling among Luanda observers that the significant MPLA victories on the southern front are causing a major reassessment by some western nations of their policy of unilateral support for the FNLA-Unita Government. The beginnings of a rush to support the winning side in Angola are considered detectable from here.

On the southern front, where I was again yesterday, the MPLA is reportedly within 40 kilometres of Huambo, the seat of the FNLA-Unita Government, and is concentrating on cleaning out pockets of troops in the Ceta-Alto Hama area, behind MPLA frontlines.

Near Ceta, I saw clearly marked French manufactured anti-tank missiles, addressed to "South Africa Defence Force, No. 93 Ammunition Depot, Siding 3,207, Jan Kempdorp, South Africa."

Meanwhile, preparations for using Soviet-made landing craft in infantry assaults along the Angolan coast were disclosed in Luanda by military sources. The sea landings, the sources said, would be used to capture the Bual stretch of northern Angola, still reportedly in FNLA hands, to circumvent problems in bridging the northernmost rivers, whose bridges were reportedly blown by FNLA and Zaire forces in retreat.

However, informed sources in Luanda are speculating that the disclosures can be interpreted as meaning such landing craft are already in use in the north.

The MPLA also displayed Soviet-made T53 and T57 tanks in Luanda yesterday for the first time.

## THE CHINESE STEEL INDUSTRY

## A gap to close

BY COLINA McDUGALL

THE CHINESE steel industry is in a state of decline, contrary to popular belief. This is the view of a number of well-qualified experts in the U.S., and it is supported by ever-growing Chinese imports, not just of finished steel but of scrap, pig iron and iron ore. This evidence has focused fresh attention on the fundamental problem, China's shortage of high quality raw materials and lack of investment in ore treatment facilities. In this basic area, China's enormously expensive recent purchase of German and Japanese rolling mills will not help at all.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

Steel production dropped from an estimated 25.5m. tons in 1973 to only 23.8m. tons in 1974. Despite huge efforts, it may not recover in 1975. Political and social problems among the workers are partly to blame, but the most important reason is the failure to construct from the 1950s onwards, modern mining equipment and plant to process low-grade coking coal and iron ore. There must be many planners in China who still silently regret ill-advised labour-intensive experiments like the 1958 Great Leap which took attention away from the real problems. As China moves into a period of concentrated industrialisation, the failure to follow the example in this field of all the developed countries looks ever more glaring.

lower quality ores. Low-grade ore has serious drawbacks. While it is physically possible to smelt certain types of low-grade ore in blast furnaces, the process demands large additions of flux materials such as limestone. As a result, slag increases, coke consumption rises, and blast-furnace productivity falls. The transport system (already badly overloaded in China) has to shift ever larger quantities of ore and fuel, merely to produce the same quantities of pig iron.

Treating low-grade ores involves a wide range of processes, some simple—merely sorting, crushing and screening—and others complex, like sintering, followed by mechanical or magnetic separation, washing and drying. This process is completed by sintering or pelletising the powdered ore. The final treatment removes harmful elements such as sulphur which ruined much of the steel produced in the Great Leap. This kind of ore treatment can reduce coke consumption by as much as 2-3 per cent. for each additional 1 per cent. of iron content, and it makes other modern blast furnace techniques feasible.

The Chinese do little of this more complex processing, though they do partially recognise the advantages of ore preparation. Some pelletising plants have long been in operation at three major steel plants (Anshan, Wuhai and Fushou). However, only one is known to have been completed since the 1950s, and that is at the iron mine at Maanshan. Only one has been bought abroad; it came from Japan in 1966 and uses German technology. These plants are far from adequate to Chinese needs. It is astonishing that the Chinese have not yet shown more interest in the modern technology available from abroad which would help them to handle the problem.

Poor quality coke, and small quantities even of that, are China's next major obstacles. While coking coals can be mixed with other coals to produce a desirable charge for smelting, it can take years to work out the appropriate mix. Worse, raw Chinese coking coal has a high ash and sulphur content: the ash reduces blast furnace capacity and the sulphur ruins the steel, see a potential market for their Japanese firms which in the 1950s imported Chinese coking coal, later found U.S. coke far superior in quality. These problems can be partially solved by treating the coal before coking, with Soviet advice the Chinese during the 1950s built or renovated about 36 coal-washing plants, but development seems to have been limited since.

Crude steel-making facilities are already sizeable. Major plants exist at Anshan (estimated output in 1973 was 5.9m. tons) and Shanghai (4.2m. tons). Together they account for about two-fifths of national output. Another third comes from half a dozen plants each producing between 1m. and 2m. tons each annually. The rest comes from a dozen or so smaller installations, followed by the country-run small steel plants. Output from all the larger plants would rise substantially without any new blast-furnace construction if raw materials were better processed.

Keep rising

With the kind of push China is now giving its industry, the need for steel will certainly grow. If the aim is to keep production rising over the next five years at about the same rate as that for industry generally (estimated at about 8 per cent. annually on average in recent years), Mr. William Clarke of the U.S. Department of Commerce has calculated that for crude steel the Chinese would need to add every couple of years the equivalent in capacity of three plants the size of Wuhai or of two new Anshans.

Whether the Chinese could then afford the huge new steel finishing plants they would need over and above the \$500m. rolling mills they are currently buying from Japan and West Germany is a separate question. The construction of more crude steel-making facilities on the scale Mr. Clarke suggests would probably be beyond Chinese capabilities at present, since the economy is already overstretched in other directions.

Far more logically, the Chinese should improve the productivity of what they already have, either by building or importing plant for treating their raw materials. While U.S. study of this question suggests that American manufacturers may see a potential market for their equipment, there is little sign yet that the Chinese have made up their minds how or on what scale they should grasp the problem. But if they daily much longer, they will be landed with an industry that will inexorably grow less productive, more expensive and less capable of meeting the national economy's demands.

## New Australian allowance rules

BY OUR OWN CORRESPONDENT

CANNBERRA, Jan. 26.

THE AUSTRALIAN Government today announced details of its plans for a new business investment allowance, aimed at stimulating business expansion. At the same time, it abolished the scheme of double taxation depreciation introduced by the former Labour Government of Mr. Gough Whitlam.

The Treasurer, Mr. Phillip Lynch, announced that a depreciation allowance on new plant and equipment will operate in two phases, from January 1 this year to June 30, 1978, and from July 1, 1978, to June 30, 1983.

The depreciation allowance was announced on December 22 in fulfilment of the Government's pre-election pledge. In the first phase it will be at the rate of 40 per cent. with a rate of 20 per cent. then applying for the following five years. The new allowances will not apply on the first \$A1,000 of any new individual item.

Unlike former investment incentives, the new allowance will extend to eligible new plant in all industries, including farm and mining programmes.

In announcing the phasing out of the present scheme of doubled depreciation, Mr. Lynch said this would cease on plant and equipment first used or installed for use on or after July 1 this year. Eligible plant in use or installed before the cut-off date would continue to be depreciated at doubled rates until fully written off.

The Governor-General, Sir John Kerr, today broke his long silence over his dismissal last November of the Whitlam Labour Government. In a TV and radio broadcast marking the anniversary of Australia's foundation, he referred to his "difficult decision" as an event now in the past. In the pre-recorded broadcast Sir John Kerr said every country, from time to time, faced both economic and political challenges and countries which have stable political institutions did so with confidence, and Australia was fortunate in this respect.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

## Algeria confirms F-5 shot

BY ERENE FURNESS

ALGIERS, Jan. 26.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Polisario representatives in Algeria neither confirmed nor denied recent Spanish reports that 200 Cubans and an undisclosed number of Vietnamese advisers had joined Polisario forces. "We accept all kinds of help from any country that supports our cause," said Mr. Ibrahim Hamid, a Polisario member.

When General Giau visited three weeks ago he publicly announced Vietnamese support for Polisario and had meetings with both Algerian and Polisario military leaders.

Polisario supporters Libya and Algeria both possess earth-to-air missiles.

Barclays Bank (London and International) Limited  
has changed its name to  
BARCLAYS MERCHANT BANK LIMITED  
and its address to Dashwood House,  
69 Old Broad Street, London EC2P 2EE.

Total assets exceed £700,000,000. Principal services: acceptance credits, corporate financial advice, deposits, mergers and acquisitions, new issues and flotations, term loans in sterling and eurocurrency.

BARCLAYS MERCHANT BANK LIMITED (TELEPHONE 01-600 9234, TELEX 8812124) ALSO HAS OFFICES IN BIRMINGHAM, BRISTOL, LEEDS, LUTON, MANCHESTER AND NOTTINGHAM.



## EUROPEAN NEWS

## W. German trade surplus of DM37.2bn. in 1975

BY NICHOLAS COLCHESTER

BONN, Jan. 26.

DESPITE A 10 per cent. fall in the volume of its exports in 1975, West Germany still achieved a trade surplus for the year of DM37.2bn. and a current account surplus of DM9.5bn. These figures compared with the all-time record trade surplus that Germany reported for 1974 of DM50.8bn. leading to a current account surplus of DM24.8bn. in that year.

The December figures from the Government statistical office show that West Germany's foreign trade ended the year on a strong note with both imports and exports up by between 8 and 9 per cent. on the November figures. The value of exports, DM20.5bn. was indeed the highest monthly figure this year and was only exceeded by exports in two months in the exceptional export year of 1974. Imports in December 1975 were DM17.3bn. —exceeded only by the figure for October. The current account surplus in December was DM1.5bn.

The total value of West German exports in 1975 was DM221.6bn. or 4 per cent. down on the DM230.6bn. recorded for 1974. The average price for West German exports last year was about 7 per cent. higher than in 1974, partly because the Deutsche Mark tended to fall against other currencies last year. Real exports were thus down by between 10 per cent. and 11 per cent.

The total value of imports last year was DM184.4bn. It was thus 3 per cent. above the previous year's figure of DM179.7bn.

## Overtime may be rationed to ease unemployment

BY NICHOLAS COLCHESTER

BONN, Jan. 26.

BONN politicians are now toying with the idea of a legal limit to overtime as a way of getting some of West Germany's 1.2m. unemployed back to work.

The Labour Ministry wants a paragraph about such a proposal inserted into the annual report on the German economy which the Government will publish in the middle of this week.

Although the Economics Ministry is currently discussing such legislation, its Minister, Hans Enderlein, supports the principle behind it. Speaking at a Munich exhibition today, he appealed to companies to hire new labour rather than use over-

time to boost output. The worry, during this tentative early moment in an economic upswing, is that companies will tend to use overtime rather than expand their workforces because of the increasing burden of social security and unemployment payments that the latter course involves. It is, in any case, already clear that it will take a remarkable and sustained growth in capital investment if West Germany is to regain full employment over the rest of this decade.

Talk of a ceiling to overtime—60 hours a week has been cited as a possible maximum

## Special security for OPEC meeting

By Robert Maunier

PARIS, Jan. 26.

EXTRAORDINARY security precautions were taken by the French authorities here today at the start of a two-day meeting of OPEC Finance Ministers to prevent a repetition of last month's guerrilla attack on the organisation's headquarters.

The OPEC ministers meeting is the first since the leading OPEC oil ministers were kidnapped.

The ministers, who continue their talks to-morrow, were putting the finishing touches to their plan for a \$1bn. fund to aid the developing world, agreement on which was reached last November.

The OPEC ministers meeting is the first since the leading OPEC oil ministers were kidnapped. The ministers, who continue their talks to-morrow, were putting the finishing touches to their plan for a \$1bn. fund to aid the developing world, agreement on which was reached last November.

The dispute over the agenda between the eight industrialised countries on the one hand, and the 19 oil producing and non-oil developing nations, on the other, has been papered over temporarily by a compromise under which the draft agenda prepared by each side will both be considered as conference documents.

While the industrialised camp is sticking to its position that any relevant subject can be brought up in the sessions, the "19" have prepared a much more detailed agenda in which the controversial issue of the protection of developing countries through international or any other appropriate method is specifically mentioned.

The four commissions will thus be able to start their work as planned on February 11.

## Italian failure to form broad-based Government hits IMF aid quest

BY DOMINICK J. COYLE

ROME, Jan. 26.

ITALY TO-NIGHT is still without a Government, the foreign exchange market remains closed and it is now difficult to see how any early positive undertakings on economic and monetary policy can be given to the International Monetary Fund in exchange for the fresh support Italy is seeking in defence of the lira and the country's depleted reserves.

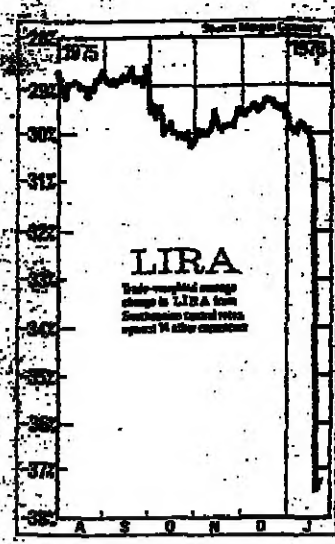
Sr. Aldo Moro, the Prime Minister designate, appears now to have little real option between forming an inevitably unstable minority Government of his own Christian Democratic Party and advising President Leone that new elections offer the best way out of the present crisis.

Indeed, the formation of a one-party Government, if this should prove possible in the next few days, may well be but an interim administration in any event, pending new elections in the late spring. Further, any such government can hardly be expected to take the kind of un-

popular economic decisions which the present situation here demands and for which the IMF is said to be pressing.

Economic policies have, in fact, been at the centre of the private exchanges between the various political parties over the past fortnight in moves to try and form a new coalition administration. Indeed, the continuing political impasse results mainly because the parties could not reach agreement either on the contents or the extent, in terms of central Government expenditure, of a new medium-term economic recovery package.

This disagreement, has, of course, now inevitably been widened further by unofficial reports that the IMF is calling for a reduction in the level of Government spending as the price to be paid for any further substantial drawings from the Fund. An Italian Treasury and Bank of England team just back from Washington has been seen to be in a state of some anxiety to take the kind of un-



The expectation to-day in Italian business circles was for some early moves by the Bank of Italy both to increase bank rates and to tighten the money supply, with some sources

expressing fears that the caretaker Moro Government, or a new single-party administration, might take steps to restrict imports, perhaps even repeating the earlier Italian experiment with special deposits.

However, official sources had no comment on such speculation which stems inevitably from a general realisation that the absence of an effective Government precludes any fiscal measure or the formation of a programme for a gradual and controlled lifting of the economy out of its present recession but without risking a potentially grave balance of payments crisis.

Meanwhile, the lira to-day regained some of its lost ground against the dollar on European exchanges in what the Bank of Italy continues to insist is a completely clean free float. It closed to-night in London at Lire 732 to the \$, a de facto floating devaluation of 8.25 per cent. since the Italian foreign exchange market closed.

## OECD confirms economy's gloomy outlook

BY RUPERT CORNWELL

PARIS, Jan. 26.

THE GRAVE economic problems, both short-term and structural, which will face whatever Italian Government emerges from the present crisis in Rome are starkly underlined by the latest report on the country issued here by the OECD.

Although the study was prepared shortly before the run on the lira which forced last week's emergency closure of the Italian foreign exchange market, OECD economists point out that its conclusion remains broadly valid. The pessimism of businessmen and the spare capacity in existing plant, that spending may be cut back further, with obvious consequences for unemployment.

Even the one relatively cheerful aspect of the survey—that the current account will remain

increase from around 11 per cent. to perhaps 13.5 per cent. annually, and perhaps still more if the forthcoming wage contracts are not kept within bounds.

Even this modest expansion could be at risk, however, if investment fails to make a cautious recovery in the later stages of 1976 that the OECD is banking on.

As matters stand, the report forecasts a year to year drop of over 2 per cent. in fixed capital formation, but it warns that, such is the pessimism of businessmen and the spare capacity in existing plant, that spending may be cut back further, with obvious consequences for unemployment.

roughly, in balance this year—surrounded by doubt, especially after the sudden new depreciation of the currency.

Although this could favour a recovery in exports, Secretariat officials warn of the equal likelihood that import costs could rise still in the event of an upturn in the economy. Even before last week, the report was talking of an 8 per cent. rise in import prices in lira terms.

Such are the risks on the balance of payments and prices front that there is little room for any general relaxation. The best the OECD can suggest is for a continuation of Government aid for those partially unemployed, and a speed-up of support for the housing industry and of public investment in general.

Here, the OECD points out, arise the familiar Italian problems of poor control of public sector spending. Not only must Italy reduce its budget deficit, but Government spending must be channelled into investment, particularly on the social side, rather than into subsidies and excess current expenditure.

The report ominously warns that industrial investment has been weak for so long that the capital stock of business may be largely obsolete. Couple with declining competitiveness and the failure of exports to adjust to changing world demand, this would suggest the country can no longer rely as in the past on exports to get out of its tight economic corner.

## Escape man jailed for 15 years

EAST BERLIN, Jan. 26.

AN EAST BERLIN court today sentenced a young West Berliner to 15 years' jail for helping nearly 100 East Germans flee to the West and sabotaging the Communist East German State.

Rainer Schubert, 29, remained impassive as the judge announced the verdict for a string of offences including espionage, terror and sabotage. Judge Karl Probst said Schubert had acted out of "hatred and enmity". But the verdict fell short of the life sentence demanded by the prosecution because, the judge said, Schubert's confession and information he had provided on Western escape organisations were mitigating aspects.

Schubert admitted helping 96 East Germans and one Czechoslovak escape to the West from the end of 1972 to his arrest in

East Berlin in January 1975. He said it gained him half a million marks (nearly £100,000) of which some 220,000 marks was profit. But the case against Schubert was not simply based on what is known here as "anti-State human trafficking" involving, in this instance, 130 attempts.

The Prosecutor's demand for life imprisonment was based solely on the charge that Schubert had deliberately concentrated on doctors and highly-skilled medical specialists, thus intentionally damaging and sabotaging East Germany.

More than the 88 escapes that Schubert personally organised fell into this category, costing East Germany some 15m. marks, the court was told.

Schubert denied this, pleading he was in principle interested in anyone who wanted to leave East

Germany. The East German authorities took the unusual step of inviting Western correspondents.

Five members of Schubert's organisation, already convicted and serving sentences in East Germany, were witnesses at the trial. Three of them are serving 15-year terms, which had made some anticipate a tougher sentence for their self-confessed leader.

Judge Probst said today that "forces hostile to the state" supported and promoted the activities of the escape organisations. The "terror" charge levelled against Schubert was based on an alleged plan to blow up a section of the Berlin Wall. It was not carried out because a member of the gang failed to deliver the necessary dynamite, the court heard.

## Five Balkan countries meet

BY OUR OWN CORRESPONDENT

ATHENS, Jan. 26.

THE FIRST post-war Balkan conference aimed at broader economic and technological co-operation in the peninsula got off to a lame start today. The Turkish delegation was first to make a speech, but it did not yield to the temptation of trying too much too fast.

A joint communiqué issued by Greece and Turkey to-day stated that they had failed to reach any agreement over the air space issue. The communiqué was issued at the end of a fourth round of bilateral negotiations.

The conference, sponsored by Greece on the personal initiative of Premier Constantine Karamanlis, last August, is being held at expert level, with the heads of the delegations as under-secretaries. Altogether, 74 delegates from Bulgaria, Greece, Romania, Turkey and Yugoslavia are participating.

Albania is the only Balkan country which declined to take part, stating it prefers to develop friendly relations on a bilateral basis.

Mr. Panayotis Papaligouras, the Greek Minister of Economic Co-ordination and Planning, said that the differences in the economic systems of the participants should not be an obstacle to facing common problems in the area. The delegations should specify those issues which offer themselves for multilateral co-operation in the economic and technical sectors, including co-operation in the fields of trade and the joint exploitation of rivers flowing along common borders, agriculture, energy, telecommunications, transport and the establishment of joint scientific research in the public health sector.

But the head of the Turkish

## Turks 'colonising' Cyprus city, say Greeks

BY OUR OWN CORRESPONDENT

NICOSIA, Jan. 26.

THE TURKS are making preparations to send thousands of settlers into the Greek Cypriot quarter of Famagusta, a Cyprus Government spokesman said today. He also charged that the Turks were continuing to expel hundreds of Greek Cypriots from the North in order to make room for immigrants being brought from mainland Turkey.

Famagusta, one of the most famous seaside resorts with scores of luxury hotels and apartment blocks, has remained vacant since it came under the control of Turkish troops following the Turkish invasion of the island in the summer of 1974.

There were indications in the past that the Turks were ready

## East Germans visit Guillaume

A West German court yesterday gave the East German mission to visit Guillaume, the convicted West German spy who brought about the resignation of Herr Willy Brandt as Chancellor. UPI reports from Bonn.

The mission's request for a meeting was the first East German acknowledgement of the role of Guillaume, who was sentenced to 15 years' imprisonment last month. The request was made early last week, a West German spokesman said.

The 178 workers occupying the Prestige-Senator kitchen utensils plant in West Berlin will start selling stocks at the factory gates on Wednesday, Reuters reports. The workers are occupying the factory to protest at its proposed closure at the end of this year.

The Grand Duchy of Luxembourg has become a major base for Soviet espionage operations in Europe, Time magazine reports in its forthcoming issue. At least 12 of the 36 staffers in the Russian Embassy in Luxembourg are either members of the KGB or the GRU, the Soviet military intelligence section, Time says.

Norway talks. Norway has agreed to have talks with Spain and Portugal about Norwegian plans to establish 200 miles economic zone in the North Sea, the Law of the Sea Minister, said yesterday. He said both countries had asked to

## Coal production

EEC hard coal production rose from 24.2m. tonnes in 1974 to 25.7m. tonnes last year, registering for the first time an annual increase of 6 per cent. The Community's statistical office said the increase was due to higher output compared with 1974 when the miners' strike led to a production loss of 16m. tonnes.

Watches stay put. Some 129 employees who occupied a Bulova watch factory in Glasgow yesterday, following an agreement with management that production would be transferred to another Bulova plant at nearby Blairgowrie, AP-UP reports from Newcastle.

More Soviet gas. Soviet production of oil and gas condensates rose to 491m. tons in 1975 from 455m. in 1974. Mr. Yevgeny Gerasimov, Soviet television commentator Yu Zhukov said in a television programme. He said 1975 steel output rose to 141m. tonnes from 136m. and coal production rose to 701m. tonnes from 682m. Reuters reports.

Sealink Irish service booms. BRITISH TRANSPORT SYSTEMS Management, the maritime division of British Rail, have a boom year on their Sealink services between Stranraer and Larne, it was announced.

More than 200,000 vehicles, 680,000 passengers were carried on the 55-mile route breaking previous record set in 1969.

## ARAB SHIPPING AND TRADE

17 &amp; 18 February, 1976

Kuwait Chamber of Commerce and Industry

A conference organised by the Financial Times, Chamber of Commerce and Industry, Kuwait and Fairplay International Shipping Weekly

- Chairmen:**  
H.E. Abdul Aziz Al-Sagar  
Chairman, Chamber of Commerce and Industry, Kuwait  
Mr Y K Pao  
World-Wide Shipping Group of Companies
- Speakers will include:**  
ARAB OIL PRODUCERS IN DOWNSTREAM ACTIVITIES  
H.E. Dr Ali Ahmed Attiga  
O.A.P.E.C.
- ARAB SHIPPING IN THE INTERNATIONAL SHIPPING INDUSTRY  
Mr C H Tung  
Island Navigation Corporation Limited
- ARAB INTENTION IN OIL TRANSPORT  
Mr Abdul-Rahman Ahmed Al-Sultan  
Arab Maritime Petroleum Transport Co
- ARAB INTENTIONS IN DRY CARGO  
Mr Nouri Mused Al Saleh  
Kuwait Shipping Company
- THE ASSISTANCE OF OUTSIDE EXPERTISE IN ARAB SHIPPING AND TRADING DEVELOPMENTS  
Mr G W Mackworth-Young  
Morgan Grenfell & Company Limited
- EXPERIENCE IN THE ARAB MARKET  
Mr Alan G Hatchett  
P & O
- HOW TO ENTER THE ARAB MARKET**  
Mr Ahmed A El-Maghraby  
Saudi Arabian Investment Company
- MANPOWER—THE CONTRIBUTION OF THE LABOUR EXPORTING COUNTRIES**  
The Hon Blas Ople  
Secretary of Labour, Philippines
- THE SUEZ CANAL AND ITS FUTURE**  
Eng Moshour Ahmed Moshour  
Suez Canal Authority
- HOW FAR WILL ARAB OIL PRODUCERS WISH TO DEVELOP THEIR DOWNSTREAM ACTIVITIES AND THEIR SHIPPING**  
H.E. Mansa Saeed Alotaiba  
Minister of Petroleum and Mineral Resources, United Arab Emirates
- THE ALGERIAN APPROACH TO THE DEVELOPMENT OF MARITIME TRANSPORT AND ITS PERSPECTIVES FOR THE YEAR 2000**  
Mr Mohamed Guendouz  
Algerian National Shipping Company
- MANAGEMENT PRINCIPLES IN SHIPPING AND THEIR ADAPTATION IN THE ESTABLISHMENT OF NEW SHIPPING COMPANIES**  
Mr Roald P Aukner  
Aukner and Neuman AS

The fee of £200.00 covers all refreshments, lunches, two receptions and conference documentation.

To be completed and returned to:  
The Financial Times Ltd  
388 Strand, London WC2R 0LT Telephone: 01-836 5444 Telex: 271341

Please register me for the ARAB SHIPPING AND TRADE CONFERENCE

BLOCK CAPITALS PLEASE

Name

Title

Company

Address

I enclose a cheque for £200.00 made payable to The Financial Times Limited.

Please send me further details ☐

Signed

Date

The Financial Times Ltd, Regd. No. 22759 England, Regd. Office, Black Lion House, Cannon Green, London, EC4A 3DF

## DANISH OFFSHORE GAS

BY HILARY BARNES, COPENHAGEN CORRESPONDENT

THE DANISH Underground Consortium, which through the A. P. Moeller shipping and industrial group has an exclusive concession to search for and exploit hydrocarbons in the Danish sector of the North Sea, is now, according to its own estimates, between 27bn. and 49bn. cubic metres of natural gas located in five structures. The consortium has concluded that the find is not big enough nor the probable production conditions sufficiently favourable to make the finds exploitable on commercially acceptable terms.

A committee set up by the Minister of Commerce to supervise the concession holder's operations, however, has come to the opposite conclusion. It found that A. P. Moeller's evaluation was "unreasonably pessimistic" and that the gas could and should be exploited commercially. In the committee's view, by failing to develop the deposits, the consortium has not met the terms of the concession and cannot therefore retain the exclusive concession, far as gas and condensates are concerned.

The other members of the consortium are Shell, Texaco, and Chevron, Gulf having withdrawn in 1974 on the grounds that prospects were too poor. It began production of oil from the Dan field, 130 miles west of Esbjerg in 1972, and the committee does not believe the consortium is right to retain the concession for oil, though it admits that attempting to separate the concessions for gas and oil would raise tricky practical problems.

The committee has thus set the

## An argument about costs

BY HILARY BARNES, COPENHAGEN CORRESPONDENT

stage for yet another conflict between a government and a consortium of international oil companies operating in the North Sea, but this time it is not a matter of obtaining a greater share of the profits for the State, but of trying to persuade the consortium to develop the gas and oil fields which both parties admit to be a marginal field. This has to be seen against the background of

though the Underground Consortium had only made relatively paltry finds. Pressure began to mount for ways to be found of changing the terms of the concession. The supervisory committee's report may have provided the opening which the critics want.

The concession originally provided for a 10-year exploration period, later extended by two years, taking it to June 1974. If the Minister of Commerce, Erling Jensen, pointed out when either not found hydrocarbons or not started commercial extraction of the discoveries, the concession could be revoked or modified. That is the position as the Minister of Commerce sees it with regard to gas. But the concession also allowed, at the end of the exploration period, which would take it to 1979, a right which Moeller claims, but which the Ministry has declined to concede. That is one of the key issues between the parties.

It is up to the concession holder to decide whether a find is commercially acceptable, but the Government assumes it has the right to challenge the holder's estimates, and this is

what has happened. If disputes between the contracting parties cannot be solved by negotiation, the concession provides for the establishment of an arbitration tribunal.

After consulting with the Foreign Affairs Committee last month, the Minister of Commerce, Mr Erling Jensen, said that he would endeavour to

reach a negotiated solution to the problems. Contacts between the parties have been established. A. P. Moeller, which has always set great store by maintaining a punctilious relationship with the State, is indignant about the affair. Mr. Mogens Roerqvist, its director of oil operations, told a Press conference that the company has kept the terms of the concession "in the letter".

The company strongly resents being forced to negotiate "with a pistol at our head" as Mr. Roerqvist put it. The charge that it has been unduly pessimistic, the consortium replies that there is every reason to be pessimistic where the North Sea is concerned.

The committee has based its conclusions mainly on a report by De Golyer and MacNaughton,

of Houston, Texas. They found the total recoverable reserves in the five structures to be 60 cubic metres as against A. Moeller's maximum estimate of 49bn. Their report on the structure, the E-structure, is the most detailed of the five "little words" it is believed the field can be economically developed. Translated in the committee's report to "found in the E-structure" could be economically developed.

The consultant account employed by the committee estimated that a discounted flow return of 18 to 23 per cent was possible on the E-structure depending on the number wells used. The report suggests that these estimates were close to the truth. The committee estimates made by P. Moe AS, the McGolyer and MacNaughton estimates of return on oil production in the Dan field vary from 14 to 21 per cent, depending on the assumed price per barrel. The committee concluded that if the Dan was commercially exploited then the E-structure gas could be commercially exploited also.

A. P. Moeller is particularly upset because it argues that the Government wants the gas brought in from the North Sea even if it is on terms which would not be commercial. The Government should have come to concession holder and asked negotiations with that in mind. In fact, the Government has expressed a desire to see the gas profit has never done this, so that Moeller thinks the State is blaming rather than the consortium.

Handwritten signature and date: 28/1/76



broader  
aid qu

gloom

# They all make money

These are the trucks that you won't read about in the newspapers. These are the trucks that are making money for people all along the line... our employees who make them... the specialists who sell them... and, most of all, the operators who use them. From ingeniously spacious 10 cwt vans right through to powerful 32-ton tractors that give impressively high m.p.g., each represents a standard of excellence in vehicle design and quality in the service of local government, business, and the nationalised industries.

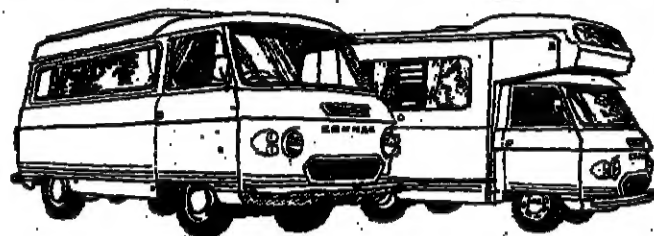
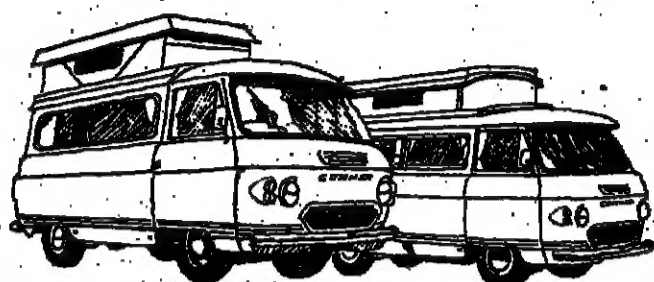
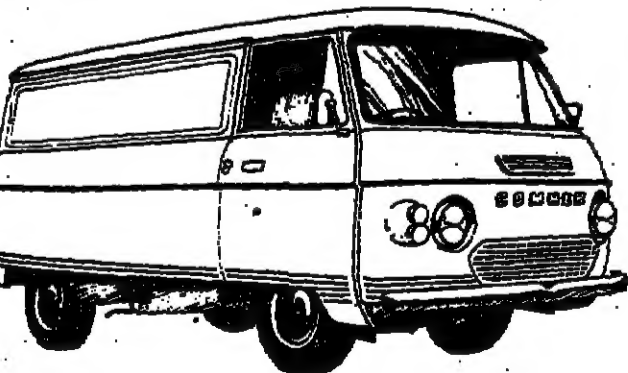
## The 1100 Vans

The most businesslike runabout ever devised, the Simca Van, has 85 cu. ft. of carrying space, 10 cwt of load capacity, and is a real miser on fuel. And if you need even more space, the High Top version gives you 115 cu. ft. There's no more profitable way to equip a small business moving.



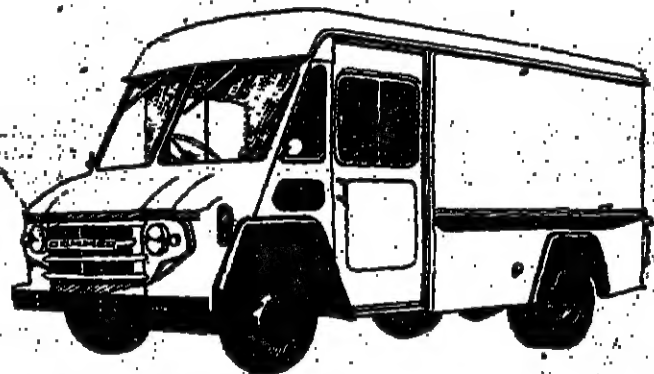
## The SPACE Vans

Profit by the cubic foot with a Commer 3 Van. 200 cu. ft. of usable loadspace at today's most competitive price. The economic miracle... Repeatedly breaks the 40 m.p.g. barrier", said Motor Transport (March 14th, 1975) of the diesel-powered version. Ask for a demonstration.



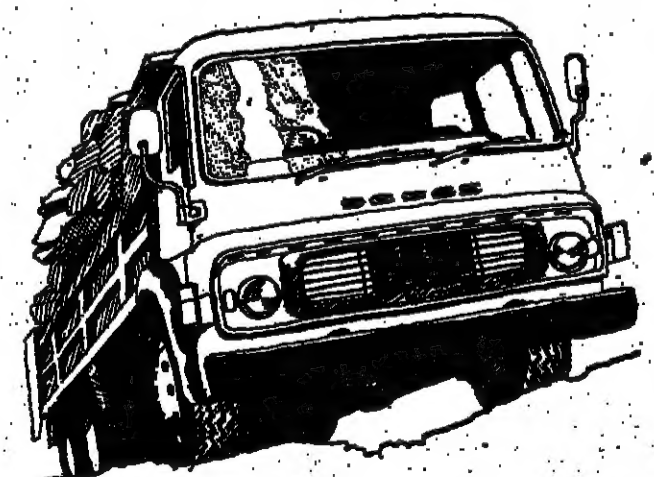
## The SPACE Caravans

A Commer based Caravan offers the freedom of the road at a price many more people can afford. More space means more comfort for families on the move. Fuel economy, extreme reliability, and ease of maintenance make it a thoroughly economical proposition.



## The Walk-Thrus

Still today's most competitive short-haul delivery van after fourteen years of setting new standards in reliability. Favourite among profit-conscious businessmen and nationalised industries alike. Low price: economical running and maintenance - very easy loading - wide GVW range.

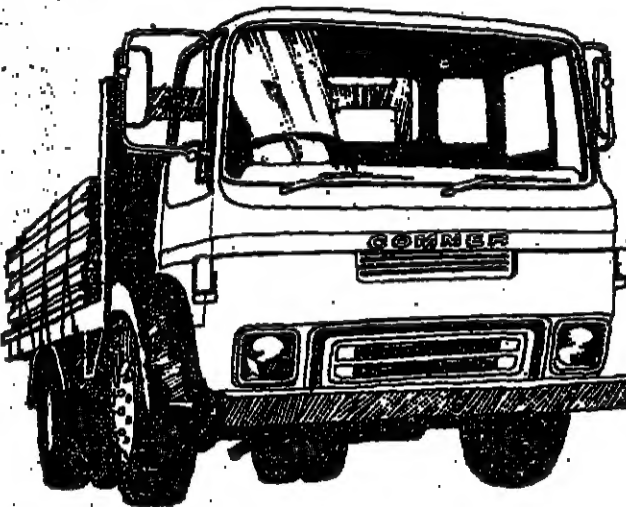


## The Shock Absorbers

Rugged, powerful, dependable. That's the Dodge 500 series! First choice among on and off the road operators who need plenty of strength in reserve in two and three axle rigs and tractor units.

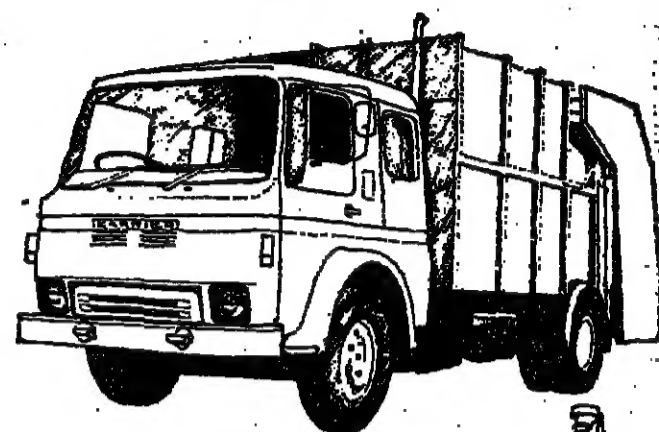
## The Commer Commando

Incredibly trouble-free ever since its launch, the Commer Commando is proving its claim to be the Business Efficiency Machine! And still making history with a range of options to give you a truck that's virtually purpose-built. A steadily growing choice among the top names in business.



## The Performance Tractor

The 'Big Dodge Mile Test' proves it! For economy, power, payload, and price, the Dodge K38 beats practically everything by a mile. Operators report a saving of up to 1 1/2 hours on a day's run, and an m.p.g. of up to 9.6, fully laden, in a variety of operating conditions. Ask your Chrysler Dealer.



## The Rates Savers

That's Chrysler's Municipal range: Most efficient transport money can buy. From 10 cwt vans, two and three-axle rigs and tractor units up to 32 tons. All tailor-made for the job. All built to last.

## The Long Life-line

When you buy a Chrysler truck you buy a complete service. Every vehicle is protected by a parts availability that is unsurpassed in the industry, and a national dealer network of the highest calibre, offering you a full service backing through Certified Truck Care.



# Dodge Commer KARRIER

business efficiency in ACTION!



## HOME NEWS

Labour's fight in Scotland  
'is now with the SNP'

BY CHRIS SAUR, SCOTTISH CORRESPONDENT

THE LABOUR Party in Scotland yesterday conceded for the first time that its main political fight from now on is with the Scottish Nationalists.

Introducing a detailed rebuttal of the SNP's economic case for Scottish independence, Mr. James Allison, Labour's assistant Scottish organiser, admitted: "We regard the Tories as virtually irrelevant in Scotland now."

This public change of tactic since the October 1974 election is one heralded by two recent opinion polls, which have shown the SNP overtaking Labour for the first time, to gain 36-37 per cent of the poll.

This compares with the Nationalists' 30 per cent share at the last election, and Labour's 36 per cent.

Allied with its present campaign against separatism, based on the Government's proposals for a Scottish Assembly, the new thrust of Labour's attack is on the "dangerous and unproven assumptions that Scottish independence, founded on oil revenues, would create greater prosperity."

In its policy analysis, researched by Glasgow University economists Andrew Thompson and John Finn, the party states that a separatist Scotland "would immediately become one of the most externally-dominated economies in the world, perhaps even more so than Canada."

## Employees

Some 60 per cent of Scottish employees in manufacturing industries were in companies owned outside Scotland.

These represented the faster-growing, relatively high-productivity modern industries, and left an indigenous sector comprising smaller-sized units in declining industries.

The paper continues: "Scotland has not had the technological base from which to create a modern self-sufficient economy."

"Most externally-controlled plants undertake very little research and development in Scotland, and there has been relatively little transfer of technology from the external to the indigenous sectors."

"The blossoming of the Scottish entrepreneurial spirit which the separatists seem to assume will follow independence seems likely to prove an illusion."

Decline of the Scottish economy had been due, the paper argues, to the failure of its private sector, not to Westminster regional policies which were designed to correct the situation.

## Leadership

Growth could only be restored now "by public sector leadership" through such bodies as the Scottish Development Agency.

Scotland had been heavily subsidised by the rest of the U.K. and that far from being its "poor relation," had now caught up in the earnings league, and had achieved an unemployment position better than several other U.K. regions.

While some benefit would accrue to Scotland from oil revenues, an independent Scotland would have far fewer financial resources than the SNP seemed to imagine.

The Nationalists' calculations of oil revenues almost equal to Scotland's gross domestic product of about £500m, ignored the possibility that oil prices would fall, and that continued inflation would render further North Sea fields unprofitable.

A stable oil-based Scottish currency would not be easy to

achieve, and differential movements against the £2 note could bring considerable disadvantages to Scottish exports.

## Difficulties

"England would not take kindly to independence and is in a position to cause considerable difficulties for Scotland in the employment field."

The future of some 50,000 jobs in the steel, motor, railways, aero-engine, shipbuilding and defence industries would be threatened under Scottish independence.

Mr. Finn commented that it was "dangerously naive" of the SNP to assume that Scotland could make off with the oil revenues, producing substantial strains in the English economy.

The General Council of the Scottish TUC is seeking an early meeting with Mr. Ted Short, Lord President of the Council, and Mr. William Ross, Secretary for Scotland, to impress on them the need for changes in the Government's devolution policy.

Unlike the Labour Party in Scotland, the TUC wants the proposed Scottish Assembly to be given economic powers. It also

reviewed the assembly's proposed relationship with Westminster.

Devolution and unemployment will be the main topics of discussion at a meeting arranged for the STUC with the Prime Minister on April 9.



Mr. Harold Wilson with Mr. Geir Halgrimsen, the Icelandic Prime Minister, outside No. 10, Downing Street.

## Call for European aerospace industry

BY MICHAEL DONNE

A FIRM commitment by European governments to the development of a European aerospace industry is urged by the Assembly of the Western European Union in a new study to be presented to a meeting of the WEU in Toulouse next week.

It stresses that future industrial co-operation policy in Western Europe should not be confined to occasional relationships on specific projects, but should concentrate on the development of existing collaborative organisations.

These include Airbus Industrie, the consortium developing the European Airbus, and Panavia, the Anglo-West German-Italian group developing the multi-role combat aircraft (MRCA).

The WEU says that a series of measures is needed in Europe, including some harmonisation of the arrangements governments make for the support of their aerospace industries; harmonisation of the standards and regulations governing aerospace; and elimination of duplication of research and development.

The WEU also suggests there should be a European civil aviation authority, similar to the

American Civil Aeronautics Board and Federal Aviation Administration, to govern European air transport affairs.

The WEU ideas are to be discussed at the Toulouse meeting, which is expected to be attended by most of the major aviation authorities of Western Europe.

From the U.K., Mr. Allen Greenwood, chairman of the British Aircraft Corporation, and Sir Kenneth Keith, chairman of Rolls-Royce, will be participating.

The WEU proposals are broadly similar to those already outlined by the European Economic Commission in a study published towards the end of last year.

They are particularly timely insofar as the U.K. is considering the British aerospace industry is on the verge of nationalisation and is in any event seeking new collaborative programmes for both the civil and military fields.

The WEU itself has no power to enforce its ideas on governments, but its influence is considerable and its views could have a significant impact on the proposed British Aerospace Board to be set up when nationalisation is effected.

## McDonnell Douglas on target

By Michael Donne

McDONNELL DOUGLAS, the U.S. transport aircraft builder, has just delivered its 800th twin-jet DC-9 short-haul jet airliner to Finnair, the airline of Finland.

McDonnell Douglas has thus reached the 800th aircraft target in just over 10 years since the first DC-9 entered commercial service, and more DC-9s have now been delivered than any other commercial twin-jet transport.

To date, there are 48 operations of DC-9s of which 40 are airlines throughout the world and the rest private owners, air forces and other users.

Up till the end of 1975, the total world-wide DC-9 jet fleet had carried more than 71m passengers for more than 40m miles, logging more than 12m revenue hours of flying.

The DC-9 delivered to Finnair is the latest Series 50 model, carrying up to 130 passengers, compared with 80 passengers in the earlier versions of the aircraft.

McDonnell Douglas is also actively seeking markets for the latest version of its DC-9, the ultra-long-range Series 30R which will use the Rolls-Royce RB-211 Dash 824 engine.

The manufacturer has been discussing this aircraft with British Airways and other U.K. airlines, including British Caledonian and Laker Airways, and the 16 being built (the first hopes to win an order soon).

## Confident French seek go-ahead on six more Concorde

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

LONG-TERM confidence in the future of Concorde is shown by the French Minister of Transport, when he said that approval for the aircraft to land in the country, France would press Britain to approve construction of six more Concorde.

M. Cavaille said in Paris that he was confident that Mr. William T. Coleman, U.S. Secretary for Transportation, would give a favourable ruling on Concorde services to and from the U.S. The decision is due by February 4.

At present, Britain and France are committed to building 16 Concorde. Six are already flying and many of the parts of the remaining ten are also completed. In addition, "long-dated" materials for another six have been ordered (aircraft numbers 17 to 22) but no permission to build these has been given.

It is these six aircraft which the French want the British to agree to build, if U.S. flights are approved.

Mr. Cavaille spoke confidently of a favourable outcome to the U.S. deliberations. "In view of the presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

Other Home News on Pages 11 and 27

The presentation of the Anglo-French case at last month's hearing in Washington, we cannot envisage anything but a favourable response," he declared.

He said he planned to meet Mr. Peter Shore, the U.K. Secretary of State for Transport, some time next month, after the U.S. decision was known, to seek the green light for additional Concorde.

The reasoning behind the French plan is that once U.S. operations begin even if only on a limited basis between London, Paris and Washington, the break-through will have been achieved, and that thereafter there would be significant expansion of Concorde services world-wide, with many airlines wanting to buy so as not to be left at a competitive disadvantage.

This demand would clear up the severe Concorde backlog, the 16 being built (the first hopes to win an order soon).

ways and Air France), and create a new way, or more, over the next two years or so.

It would take that long to complete any aircraft put into production now, so that airlines placing orders this year would not be likely to get delivery much before 1978, by which time Concorde will have been able to prove its economic and social acceptability in airline service.

Two hours late

In the meantime, Concorde's operational debut with British Airways has not got off to a good start.

The first fully commercial service between London and Bahrain yesterday, after last week's inaugural flight, left two hours 45 minutes late because of a fault which did not exist.

Although the aircraft left the Heathrow terminal building on time, it turned back before reaching the take-off point, because of a warning light on the pilot's instrument panel. The 73 passengers disembarked while engineers checked the aircraft, thoroughly, only to find nothing wrong.

The passengers re-embarked, and Concorde took off at 13.01 hours instead of 10.45 hours as originally scheduled.

British Airways expects its share of initial teething troubles with Concorde in operational service—there has never been a Concorde accident yet with them—but is trying to keep them to a minimum because it is conscious of the need for reliability as well as safety in the world's first commercial supersonic flights.

















## Tory urges action on IRA pub collections

ACTION to stop collections for the IRA in public houses was urged by Mr. Ivan Lawrence (C. Burton) in the Commons yesterday.

Mr. Lawrence referred to the "statements of two identifiable people in the national Press in December" in the effect that money was still being collected, but added that there had been no charges under the Prevention of Terrorism Act. "What is being done now to make sure that those collections cease" he demanded.

Mr. Sam Silkin, Attorney General, replied: "That is a matter for the police and, accordingly, for the Home Secretary. He had no knowledge of any evidence to support what Mr. Lawrence had said."

Mr. Silkin had told Mr. Bob Cryer (Lab., Newcastle) that during 1975 in Northern Ireland 1,000 people had pleaded guilty or had been convicted of terrorist offences. In 1974, the corresponding figure had been 1,071.

Mr. Cryer observed that the removal of detention had not resulted in fewer prosecutions. This country and this Government had ended detention without trial "in a very courageous way, and they could reasonably expect a response from terrorist organisations."

Mr. Silkin agreed and added that the prosecution process had been carried on with "great force and vigour and has been extremely successful."

## Ashley wants inquiry into legal services

DESPITE a "duly" answer from the Attorney General, Labour backbencher Mr. Jack Ashley said yesterday that he would press on with his campaign to persuade the Government to probe legal services and the legal profession in general.

Mr. Ashley, MP for Stoke South, had tabled a series of questions calling for reforms to unify the legal profession and reduce the cost of going to law. He described Mr. Sam Silkin's replies as "stunningly competent and quite unacceptable."

There was need for a Royal Commission to investigate the legal service and the legal profession, Mr. Ashley added.

His questions concerned the "monopoly" of solicitors in preparing land conveyancing documents, and the distinction between barristers and solicitors.

Mr. Silkin told him that the Lord Chancellor (Lord Elwyn-Jones) and the Prices Secretary (Mrs. Shirley Williams) were considering conveyancing, but he rejected any change in the status of barristers and solicitors.

"The Lord Chancellor is satisfied that the present distinctions represent real differences of function and make for the more efficient administration of justice," he said.

Replying to other questions, Mr. Silkin said the desirability of a review of the costs recovered by barristers and solicitors, particularly in legally-aided cases, was being considered. There was no reason for changing the present rules and allowing anyone competent to act as an advocate.

Mr. Silkin also rejected Mr. Ashley's call for an independent agency to administer tribunals. This would serve no useful purpose, he said.

This announcement appears as a matter of record

**BF 117,000,000**  
**Euroblan S.A.**

**BF 41,000,000**  
**9½% Senior Notes due 1985**  
**BF 76,000,000**  
**9½% Mortgage Notes due 1985**

The undersigned assisted in the direct placement of these

Notes with an institutional investor

**Coronado Group Ltd. Dain, Kalman & Quail**

London, Paris, New York

Incorporated  
Minneapolis

# Varley says BSC savings target is 'realistic possibility'

BY JOHN HUNT.

THERE IS a "realistic possibility" that the British Steel Corporation will achieve cost savings of £170m. If the agreement between the BSC and the unions is implemented, Mr. Eric Varley, Industry Secretary, told the Commons yesterday.

The level of redundancies would depend on progress in discussions on the steel committee and at plant level. However, he saw the agreement as a very encouraging move towards an efficiently managed and competitive steel industry.

"But I don't want to underestimate the difficulties of the steel industry," he went on. "It will take a long time before we get the internationally competitive steel industry we all want."

Mr. John Stonehouse (Lab., Walsall N) asked him to what extent the agreement would reduce BSC's current weekly loss of £8.5m.

Mr. Varley replied: "Substantial progress will take place. I think there is a realistic possibility of achieving their target of cost savings."

Mr. Michael Heseltine, "shadow" Industry Secretary, said he could not understand how Mr. Varley could welcome the agreement unless he had some idea of the level of cost savings. He also wanted to know if both sides had approved the productivity comparisons attached to the agreement.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.

"There is now a wide understanding within the industry that there have to be savings and they have to be carried through in a humane way," the Minister added.

Mr. Varley told him: "One cannot be precise about figures. British Steel Corporation have told me that if the present agreement is implemented they expect to achieve their target cost savings of up to £170m."

Since the discussions of May and July last year, considerable savings had been made. He thought there was now a real effort on both sides to achieve cost savings.



MR. ERIC VARLEY  
"Agreement is encouraging move."

Questioning Mr. Gerald Kaufman, Minister of State for Industry, Mr. Thelma Renton (C. Mid-Sussex) asked why the BSC was blowing hot and cold on its proposals to reduce over-manning. He wanted an assurance that Mr. Varley had not pulled the rug from under the feet of Mr. Bob Scholey, the BSC chief executive, during the negotiations last week.

Mr. Kaufman replied: "Mr. Scholey had his feet on the ground. There was no rug between him and the ground."

Mr. David Lane (C. Cambridge) claimed that the Corporation had been considerably pushed off course. When the Corporation did have further negotiations to secure a competitive and strong position he wanted an assurance that it could rely on total Government support.

There was Opposition laughter when Mr. Kaufman replied: "I could reconcile myself to a situation in which we don't have a Government meddling and interfering in the day-to-day activities of the British Steel Corporation."

Mr. Norman Tebbit (C. Chingford) asked for a strict "yes or no" answer on whether the productivity comparisons issued last week had been agreed with the unions and management.

Mr. Kaufman retorted: "Productivity comparisons appeared to that agreement are statistics which are international comparisons. It is not necessary for the unions or anyone else to agree objective figures."

The figures demonstrated the ground that had to be made up by the British Steel Corporation if it were to pull back from a lack of competitiveness.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

## Chrysler evidence attitudes harden

BY JOHN HUNT

A FIRM indication that there is no intention of Mr. Harold Lever, the Prime Minister's economic adviser, appearing before the all-party sub-committee which is investigating the Chrysler affair was given to the Commons yesterday by Mr. Eric Varley, the Industry Secretary.

The Trade and Industry sub-committee held its third meeting on the Chrysler U.K. rescue operation to-morrow when Mr. Gwyn Gillette, executive vice-president, Europe, for the Chrysler Corporation, is due to give evidence.

Yesterday's Commons exchanges, in which Mr. Varley came under pressure from both sides of the House, were the latest in the continuing row over Mr. Lever's rejection of the sub-committee's invitation. Many MPs are annoyed that he is not giving evidence despite the fact that he played a leading part in the operation.

Mr. Varley declared: "Ministerial responsibility for the Chrysler support operation vests squarely with the Department of Industry. That is the position we have adopted and that is the position we shall adhere to."

He was replying to Mr. William Hamilton (Lab., Fife Cent.) who was following up an attack launched by Mr. Jonathan Aitken (C., Thanet E.).

Mr. Aitken protested that the Commons had a real responsibility properly to monitor the spending of the taxpayers' money. Chrysler, he said, could not be adequately carried out while the Government refused to allow Mr. Lever, Chancellor of the Duchy of Lancaster, to answer questions before the sub-committee.

Mr. Varley should remember the words of the late Aneurin Bevan who had said: "Why do we always have to ask questions of the monkey when we really intend to question the orang-utan?"

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

There were cries of protest when Mr. Varley replied tersely that the Prime Minister had already made the position clear to the House and that he had asked for all to adhere to it.

Mr. Hamilton then asked if the Minister would dare to voice his own opinion on whether he would object if Mr. Lever appeared before the select committee.

To cheer of support, Mr. Hamilton added: "It is one of the most important principles of this House that all select committees should have the right to send any person whom they think is relevant to their investigation—not whom the Executive thinks are relevant."

In later questions, Mr. Varley was supported by Mr. Neil Campbell, Under-Secretary for Industry, who told the Opposition that the decision on Chrysler was a Cabinet one and Mr. Varley was therefore the proper person to go before the sub-committee on it.

## LABOUR NEWS Professional engineers urged to join unions

BY JOHN ELLIOTT, LABOUR EDITOR

BRITAIN'S 200,000 professional engineers and managers across the private sector of industry yesterday by their main institution, the Institution of Mechanical Engineers (IMEE), urged them to join unions in order to protect their falling living standards, as well as to give themselves a say in how their companies are run and protect themselves against manual workers' closed shop.

This historic recommendation was contained in a paper-making report from the Council of Engineers' Institutions and Managers' Associations which urged professional engineers by the many a variety of trade union and could not properly be taken with professional codes of conduct.

The white-collar section of the Amalgamated Union of Engineering Workers (AUEW) also urged the same fate.

Long list

But last night, Mr. Clive Jenkins, AUEW general secretary, reacted by saying: "We have agreements for these sorts of people in scores of companies and where there is no recognition arrangement we will be taking a long list of claims to the Conciliation and Arbitration Service."

This was a reference to the new statutory recognition procedures which come into force at the end of next month and which will require employers to negotiate with the AUEW, the only union to have a long list of claims to the Conciliation and Arbitration Service.

The other rejected TUC union, the Electrical Power Engineers' Association, which, as revealed in the Financial Times yesterday, is considering making a bid to move outside its electricity supply base and recruit professional engineers, scientists, tech-

Production threatened at Dunlop

By Our Midlands Correspondent

OUTRIGHT rejection of conditions attached to the Government's £8 pay pellet-yet a meeting yesterday threatens disruption of production at one of the major tyre plants in the Midlands, Dunlop, Birmingham.

There is a national agreement between the rubber workers' union of the General and Municipal Workers Union and Dunlop to pay the £8 a week increase without a ballot, subject to plant bargaining.

Dunlop management has been seeking to introduce some alterations to the wages framework after Government restrictions have been placed on the mobility and the acceptance of computerised systems.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

Union representatives told management that they were not prepared to negotiate for 3,000 members of the 4,000 hourly paid labour force at the plant.

had agreements for them 1 Vauxhall, British Steel, Britis Layland and Hawker Siddeley. The EPEA will therefore face stiff competition if it goes ahead with its ideas. But the fact that it is a member of the TUC no help it in some areas while it three other unions favoured yesterday by the Council will far even stronger and more bitter TUC opposition.

These three are the U.I. Association of Professional Engineers, the Association of Superintending and Executive Engineers, and the Institution of Professional Engineers in Industry, at the Association of Professional Scientists and Technologists which has just notched up membership ballot victory at ICI. It also has established a foothold in some other companies.

But of all these unions, the EPEA seems the most favoured among the professional institutions, partly because it is professional-worker, based as partly because it acknowledges professional codes of conduct to the extent that 60 per cent. its membership have to back strike in a ballot before one can be called.

Yesterday, Dr. Gainsborough, the secretary of the Institution of Electrical Engineers, one of the Council's main members, said he would support the EPEA and also proposed that the EPEA should get together with two other major sector unions with professional members—the National and Local Government Officers' Association and the Institution of Professional Civil Servants, advise the institutions on the unionism.

Production threatened at Dunlop

By Our Midlands Correspondent

OUTRIGHT rejection of conditions attached to the Government's £8 pay pellet-yet a meeting yesterday threatens disruption of production at one of the major tyre plants in the Midlands, Dunlop, Birmingham.

There is a national agreement between the rubber workers' union of the General and Municipal Workers Union and Dunlop to pay



# FINANCIAL TIMES SURVEY

Tuesday January 27 1976

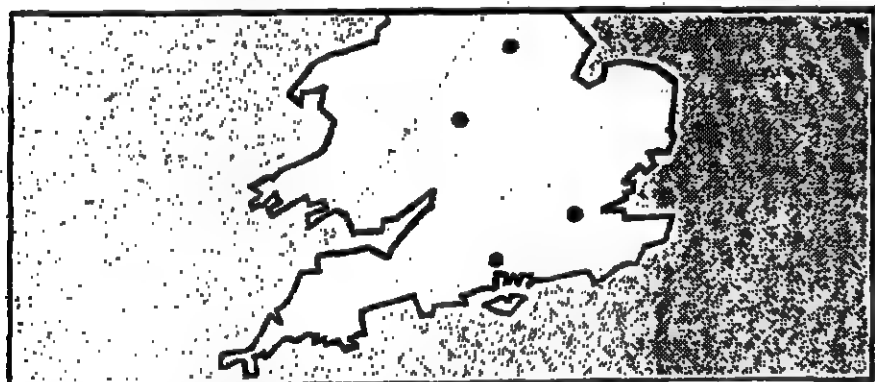
## ALUMINIUM

Fluctuations in demand have in the past two years been unprecedented leaving the industry at present hopeful of a pronounced upward swing out of the present recession. Improved demand from U.S. customers and an end to destocking are pointers to an improved worldwide position.

## IF YOU'RE IN DESPAIR ABOUT SERVICE, TRY SOME GROUP THERAPY.

There's now a big new national name in aluminium and stainless steel stockholding: RDM Metals.

The four RDM Metals Companies are centred in London, Birmingham, Derby and Southampton. Backed by the Ravensdown Metals Group, they offer UK Purchasing Managers an essentially new concept in stockholding.



### OUR GUIDING LIGHT IS CUSTOMER SUPREMACY

Lots of big companies pay lip-service to the idea. But all too often they find it hard to live up to. They forget that customer service means personal attention from highly motivated human beings. It means sweating a bit over a difficult order. Sometimes it means bucking the system.

That's where it's different when you deal with an RDM Company. You'll find enthusiasm, courtesy and alertness to your needs. It is something you might not expect from a big company.

### RDM? WHO ARE RDM METALS?

They're Britain's fastest growing name in metal stockholding. (Up to last year RDM Metals (London) was called Ravensdown Metals). Thriving, thrusting autonomous operators, they are, each one, dedicated to giving the customers in their respective regions an

unmatched service in the aluminium and stainless steel field.

Yet each one is underpinned by the Ravensdown Metals Group who provide them with financial resources, personnel training and big company buying power.

It means you have all the security of dealing with a large established stockholder.

### OUR 5 SECOND PLEDGE TO PURCHASING MANAGERS

RDM makes this unique promise to every UK Purchasing Executive.

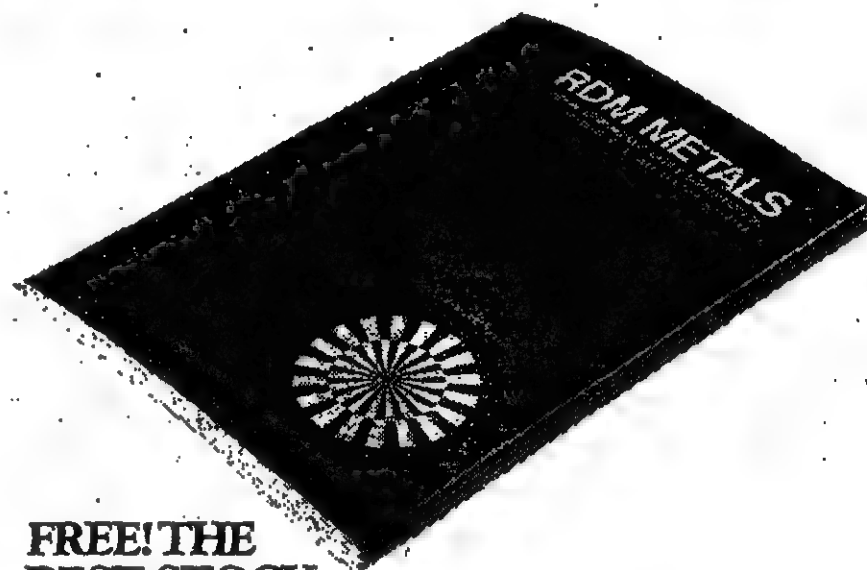
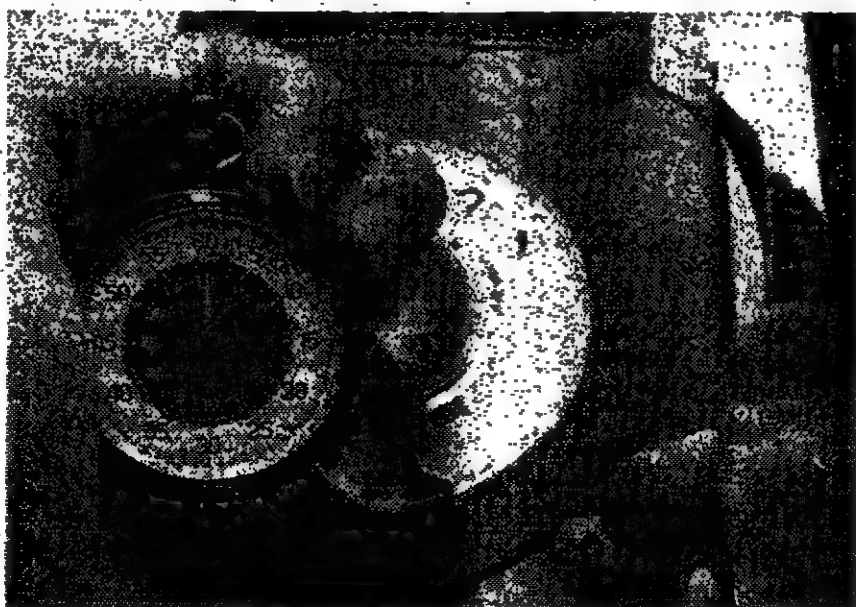
Dial any of the RDM Companies and within 5 seconds you'll be talking direct with a top class stainless steel or aluminium expert.

No sleepy switchboards, no hanging on, no junior deputy assistant nobodies. You're through immediately to a helpful professional.

And it's no gimmick either. It's one proof that RDM gives you direct access to a higher calibre of service all down the line of each purchasing transaction—from finding the difficult sizes to delivery schedules to suit you, to efficient paperwork follow-up.

So please don't just take our word about RDM service. Prove it for yourself.

In all of five seconds.



### FREE! THE BEST STOCK RANGE GUIDE IN THE BUSINESS

'It shows they carry an impressive range of products'  
'Really clear with plenty of information'  
'Very good presentation'  
'We like the useful technical data'

These were some of the comments to the first edition of our stock-range guide. The second edition is just out.

Write off today to your nearest RDM Company for your personal desk-top copy of the RDM Stock Range and Technical Guide.

#### LONDON

RDM Metals (London) Limited  
Rockware Avenue, Greenford  
Middlesex UB6 0AD Telex: 935962

Telephone: (01) 578 0957

#### BIRMINGHAM

RDM Metal Services Limited  
149/151 Barford Street  
Birmingham B5 6TW

Telephone: (021) 622 3525

#### DERBY

RDM Metals (East Midlands) Limited  
West Meadows Industrial Estate  
Nottingham Road Derby DE2 6JL

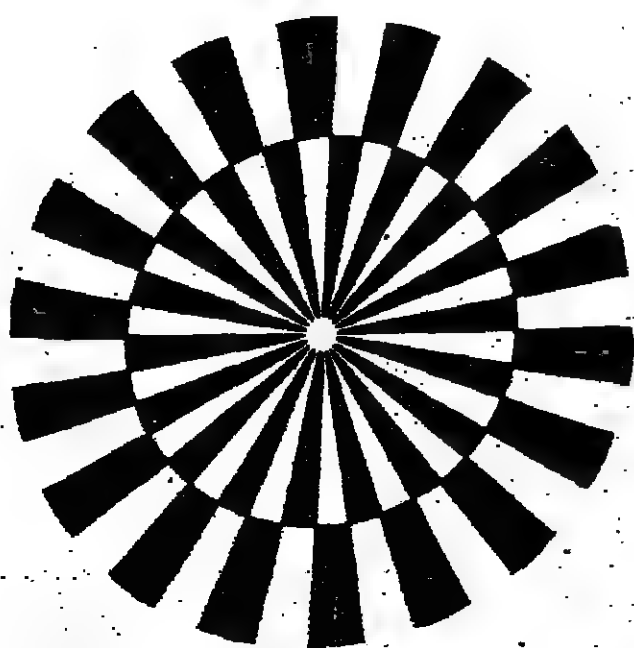
Telephone: (0332) 364 531

#### SOUTHAMPTON

RDM Metals (Hampshire) Limited  
316/318 Salisbury Road  
Totton Hampshire

Telephone: (04216) 7701

Members of the Ravensdown Metals Group



## RDM METALS

The Customer Service Specialists  
in Stainless Steel and Aluminium



## ALUMINIUM II

# Out of deep recession

THE ALUMINIUM industry has long been used to the problem of dealing with pronounced cyclical swings, but by any standards the year 1975 has broken all records. Two years ago the industry was coping with the biggest surge in demand it had ever experienced with the important U.S. market, accounting for half total world sales, increasing by some 20 per cent, and the rest of the world market growing almost as strongly. In 1975 the swing back, as economies around the world moved into deep recession has been even more dramatic. In the U.S. demand has fallen by some 30 per cent, in Europe by 15-20 per cent, and in the world as a whole by 20 per cent.

With fluctuations in demand of this order, the predictions regularly offered by aluminium industry chiefs have become subject to constant revision, and now have to be interpreted judiciously, but on the basis of past deep troughs the industry is forecasting that the pendulum could swing significantly back again in 1976. Mr. Krume, chairman of Alcoa, the leading U.S. producer, claimed recently that a 30-35 per cent increase in U.S. demand could be experienced next year, making the year the third best for shipment by the industry after 1973 and 1974.

The industry's greater confidence for 1976 is based on evidence of a pick-up in some of aluminium's most important markets in the U.S., such as building and vehicle production, and the knowledge that in a presidential election year every effort is likely to be made to ensure that the tentative recovery begun in the U.S. economy in 1975 does not peter out. And, of course, if the U.S. economy continues to move

ahead it is likely to bring other leading economies along with it. The extent of the decline has, too, been exaggerated by destocking at customer level, after a period of inventory building in 1974 because of fears of an aluminium shortage. In the U.S., for example, demand from the building industry was running last year at only two-thirds of the level of 1974, a year which had itself seen a 15 per cent drop on 1973, and a similar one-third drop in demand came from the motor manufacturers. As much as 20 per cent of the decline is estimated, however, to have been the result of destocking by users.

Stocks figures produced by the International Primary Aluminium Institute in London have for the past several months also given some indication that the destocking process may be coming to an end, and this has been another factor in the somewhat greater confidence with which the industry is approaching the current year. The latest figures show that in November total world stocks fell for the third month running, though at 4.828m. tonnes they are still not far below the year's peak of 4.93m. tonnes, and still amount to around six months' supply at present consumption rates.

Stocks held by the producers themselves totalled 3.178m. tonnes in November compared with a peak figure of 3.395m. tonnes in September and a figure in November 1974 of 1.74m. tonnes. In Europe total stocks have fallen from 1.33m. tonnes in September to 1.289m. tonnes while the U.S. stood at 2.76m. tonnes compared with the July total of 2.8m. tonnes.

In order to get stocks moving, however, the producers have had to make massive cuts in production with smelters in

the U.S. currently operating at around 73 per cent. capacity. In Europe the cutback in production has been considerably less but this is mainly because Europe is a net importer of primary aluminium and has been able to reduce its supply from other parts of the world. In Japan, however, the country's Ministry of Trade and Industry has recently advised the producers to implement further cuts in production reducing output to only 50 per cent of capacity, in order to liquidate stocks.

## Factor

A further major factor in helping the industry to reduce its stocks in recent months has been heavy Chinese purchasing of aluminium from a number of major Western producers. China, possibly in order to create her own stockpile of aluminium at a time when prices are relatively low, has relieved Western producers of some 400,000 tonnes of aluminium this year, spreading her favour among the big companies. The use to which the metal will be put is bound to cause speculation but an electrification programme or expansion of domestic transport facilities seem the most likely possibilities.

In 1976, after a relatively slow start, a world-wide recovery in demand is expected to take place based on improvements in several important markets for aluminium. According to Kaiser, one of the leading U.S. producers, car production in the U.S. is expected to increase 15 per cent, and housing starts are expected to rise by around 23 per cent. Shipments of aluminium to transportation markets which include truck and trailer manufacture and aircraft as well as vehicles are

expected to rise by 40 per cent, and in housing by some 30 per cent. Kaiser is also forecasting continued rapid growth in the packaging market, the fastest growing area of aluminium demand over the past ten years and the least affected by the present recession. Sales into this market are expected to increase in the U.S. by 16 per cent in 1976.

In the transport field the aluminium industry is also hoping for a boost from the increased usage of aluminium for its energy-saving properties in certain applications. The U.S. car industry has been seeking ways to reduce the weight of vehicles and is currently thought to be incorporating around 80-90 lb per vehicle on average of aluminium, a figure that is likely to increase this year and in succeeding years providing the aluminium is available at the right price.

Nevertheless, given the present stock levels, even if the expected increase in demand does occur in the course of 1976 it is likely to be well on in the year before the industry begins to move up from the present world operating rate of around 80 per cent, and 1977, or even later, before full capacity working is achieved.

There remains the point, too, that although 1976 is expected to be a better year for the industry the exceptional conditions produced by 1975 are likely to be making their effects felt for some years to come. In the first place after a brief period of higher profitability in 1974 when the industry was benefiting from the tail end of the 1973 boom and the higher prices it had belatedly been able to introduce, conditions in the market place have badly affected last year's company results. In the U.S. where cost increases in the range of 15-20 per cent, were incurred

the industry was able to introduce only a 2 cents per lb increase in prices from 39 cents to 41 cents—roughly 5 per cent. Because of poor volume even this increase was eroded by discounts which the producers were obliged to introduce for some semi-finished products. The result has been a relatively poor year for the big aluminium producers with profits down markedly in the latter part of 1975.

## Predicted

Against this background investment by the industry is likely to be down in 1976, though another factor is of course the slower rate of overall growth in demand for aluminium which is now being predicted to the end of the decade. As a result the urgency of bringing new capacity on stream has been reduced. The long term effect, however, as the industry points out, is that the cost of new facilities will increase, the longer construction is delayed. In the long run existing production capacity will not be sufficient, yet as no one is likely to build new plants against a background of present depressed price levels, aluminium will before long again become a scarce metal.

Mr. Emmanuel Meyer, chairman of Alusuisse, the Zurich based producer, pointed out recently.

Alcoa, the biggest U.S. company, is reducing its investment in 1976 to under \$300m, compared with \$400m. in 1975, and Alcan which reduced its 1975 spending, compared with 1974,

is also pruning its spending. Chief casualty on Alcan's list is the 800,000 tonnes per year plant for refining bauxite into alumina—the intermediate stage in the production of aluminium—due to be built in conjunction with ASV of Norway and Granges of Sweden in Ireland at a cost of \$350m. The project is to be reviewed in 12-18 months' time.

The boom in demand two years ago and the moves by some of the leading bauxite producers, in particular Jamaica, gave rise to a variety of schemes around the world for developing new bauxite resources and associated alumina refining downstream production facilities, but the recession has caused many of these to be shelved, too.

Recent months have seen the postponement of alumina projects planned for the Philippines, Indonesia and Costa Rica, and schemes in Germany and Australia have also been dropped. One major project which is due to go ahead during the year, however, is the \$230m. Trombetas scheme involving the development of bauxite resources in the Amazon region of Brazil. The go-ahead for the project, in which the Brazilian company CVRD, Alcan and a consortium of European and U.S. producers are the partners, was announced in December. Initial production capacity when the plant comes on stream in 1979 is put at 3.35m. tonnes of bauxite per annum for export, of which Alcan is to receive 1.2m. tonnes for use in its Canadian facilities. An

## U.K. ALUMINIUM STATISTICS

	1971	1972	1973	1974	1975 (11 months only)
Primary					
Al. Production .....	119,007	171,449	251,635	294,368	282,671
Primary Al. Imports	266,681	266,667	282,888	278,250	121,521
Secondary					
Al. Despatches .....	346,738	472,353	543,543	567,829	567,304
Secondary					
Al. Production .....	189,100	197,402	208,645	206,985	160,081
Secondary Al. Despatches .....	192,549	198,847	217,962	208,639	160,231
Exported					
product despatches	156,410	186,026	222,908	231,738	157,251
Exported					
products despatches	125,063	142,771	168,746	188,778	148,341

eventual capacity of 8m. tonnes is envisaged, putting Brazil among the world's biggest bauxite producers. But while this project is going ahead there is already evidence that the industry is reluctant to proceed on its own with investment in new primary facilities at present prices. Over the next three years as a result total world capacity is likely to increase by only around 1.2m. tonnes to just over 13m. tonnes, mostly through expansion of existing plants. In the U.S. and Europe very little expansion of capacity is scheduled to take place and the possibility of a tight aluminium situation by 1978 followed by a shortage in the following years is a real one.

The general view in the industry is that on metal prices of at least \$5-60 U.S. cents per lb, compared with the present price of 41 cents would be required before the producers could start to think of investment in new primary smelting facilities on "greenfield" sites.

Against this background of

Rhys Davi

# Bauxite cartel mooted

BAUXITE APPEARS to offer the greatest opportunity for a producer cartel according to a recent special study by the Economist Intelligence Unit on the "Potential for New Commodity Cartels"—sub-titled significantly "Copying OPEC or Improved International Agreements?"

The study claimed that although prices could not be inflated to oil-type levels, they could be pushed up considerably more. But the increase would have to be implemented gradually, as the bauxite producers' economies were not in general strong enough for any threat to withhold supplies to be credible, especially in view of the large quantity of bauxite still held by the U.S. stockpile authorities. There is also the danger of dissension between Australian and Caribbean exporters.

Since the study was published, there has been a new Australian Government, which may well have a less sympathetic attitude to developing countries than the previous Whitlam Administration, although so far no signs of any alteration in commodity agreement policy has been apparent.

The study also concludes that a bauxite cartel could never operate in the same way as Opec, and any attempt to push prices up to astronomical levels would eventually be self-defeating even if it succeeded in the medium term.

Aluminium producers, faced with the prospect of a bauxite producers' cartel, have intensified their research into the long-term possibilities of switching to the many non-bauxite clays that could be used to produce aluminium if the price of bauxite rose too high.

There have been well publicised announcements by various aluminium producers about plans to develop bauxite substitutes. Pechiney, for example, has already reached an agreement with Alcan for a joint development of a process for the extraction of alumina from non-bauxite materials, such as clay and shale, and it is hoped that a 100,000-tonne plant may be in operation by 1980.

This month a U.S. company, Southwire Company of Georgia, said it had purchased the rights to a Soviet process that, it was claimed, could eventually make the U.S. aluminium industry independent of bauxite imports. The Soviet process uses an ore called alunite to produce alumina, and it is estimated that U.S. domestic resources of alunite are sufficient to last for 100 years at the present rate of aluminium production.

Meanwhile the U.S. Bureau of Mines and eight aluminium producers are co-operating in a research programme looking at bauxite alternatives and the price needed before they become economic propositions. In the Soviet Union significant quantities of aluminium are already produced from non-

bauxite sources, and it is not surprising that, faced with a potential bauxite cartel, the aluminium producers, particularly in North America, should seek to lessen their dependence on bauxite imports in the future.

But at present no one is seriously suggesting that bauxite will be generally replaced as the prime raw material for aluminium production in the medium term. Bauxite is basically used because it is a material available at a competitive price compared with known substitutes, even with the recent sharp increases won by bauxite producing countries.

Bauxite is also widely available throughout the world, and production has only been concentrated in certain areas such as the Caribbean and, more recently, Australia because the deposits there are easiest and most economic to exploit. Until fairly recently it could be said that the aluminium producers have been able to obtain their basic raw material extremely cheaply indeed, and it is this that has aroused the resentment of many developing countries.

Because of the virtual integration between aluminium, alumina producers and bauxite production it is very difficult to arrive at a definite quoted price for bauxite sold under a variety of supply contracts covering a wide range of different quality grades. But it is estimated that moves in recent years by producers have at least doubled previous levels.

However, it has been virtually impossible on practical grounds alone for the International Bauxite Association, established in March, 1974, to agree on a range of "floor" price arrangements as with oil. At the Association's last Ministerial meeting in November the most that could be achieved was a recommendation to the 11 member countries of the Association that they implement a minimum pricing policy to cover all bauxite exported this year. Since it is only a recommendation it is not binding on member countries, and of course any price charged is varied according to grade of ore supplied, the quantity involved and the distance it has to be shipped.

At the same time it is fair to say that the International Bauxite Association has played a significant role already in raising, and standardising, the price received for bauxite as a result of information exchanged between member countries and the implementation of similar measures to achieve extra revenue.

Some of the measures used, particularly nationalisation of companies previously owned by bauxite producers, have not surprisingly aroused considerable opposition and heightened U.S. Government fears that it might be held to ransom in future years. Other measures, such as export taxes and production levies, linked with the aluminium ingot price movement, have also been bitterly opposed, coming at a time when

the industry is already suffering severe cost problems from the rise in the cost of energy and the fall in demand for aluminium. In fact, however, even at the much higher price levels, the cost of bauxite compared with the cost of producing the final aluminium ingot is a very small proportion and should not have a significant effect on the final price.

## Levies

The linking of production levies on bauxite with the final price of aluminium ingots has also demonstrated to producing countries—how dependent bauxite sales are on the aluminium market. As a result of the steep fall in aluminium output during the long period of industrial recession, bauxite producers have had to accept the hard facts of life that prices cannot be pushed up during a period of oversupply and that, the higher the price of raw material, the greater the necessity to keep supply in line with demand. Heavy production cutbacks have been required since the cost of carrying too burdensome surplus stocks has been greatly increased. In other words bauxite producers have been forced, often reluctantly, to learn the discipline of the market place, which in the long run determines the kind of return they can expect to receive.

At the moment the lack of demand for aluminium, and therefore bauxite, has tended to weaken the pressures that bauxite producers can exert both in raising prices and developing new production.

What investment is available well tends to be directed towards countries pursuing less aggressive policies and viewed as politically "safer"—hence the upsurge in Australian output in recent years to the position of the world's leading producer.

Nevertheless there is every reason to suppose that demand for aluminium will pick up rapidly again once the recovery in industrial activity, albeit apparent in the U.S. and Japan, starts to take place. Baux producers will then be in a stronger position to insist on an economic return, although it is hoped they will have learned the lesson of moderation from the depressing experience of the last two years.

John Edwar

## WILLIAM ROWLAND LIMITED

Sheffield 79421

Telex 54392

Birmingham (021-)

559 3031

Telex 33176

SUPPLIERS OF 99.5%

AND 99.7%

PURITY INGOTS

FOR IMMEDIATE

DELIVERY

# 'Companies don't make things happen - people make things happen.'



Cornell C. Meier  
President and Chief Executive Officer, Kaiser Aluminum & Chemical Corporation.

## Can one person really make a difference?

No question about it, 1975 was a tough year. Economically, the worst recession in nearly four decades. Yet, we're pleased that Kaiser Aluminum did as well as it did under the difficult economic conditions we faced.

Throughout 1975, we put major emphasis on the idea that one person really can make a difference in our company, that each individual really is important to our overall success. We believe that. Our people believe we believe it.

As a result, we've seen costs reduced, efficiencies improved, problems solved, ideas generated

that made a real difference in our performance. By putting emphasis on the value of the individual, on the importance of individual initiative and performance, and the importance of individuals working together in teams to solve problems and take advantage of opportunities, we struck a chord that generated a new spirit and enthusiasm throughout the entire company.

Tough year or not, we proved to ourselves that one person can make a difference. One company can make a difference... to its customers, its stockholders, and

the community in which it lives. Ours.

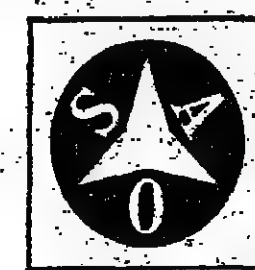
We aren't interested in being one of the biggest companies around. We just want to be among the best. Our major goal lies in realising the full potential of our employees and our company—and in fully meeting our responsibilities in the U.S.A., the United Kingdom, West Germany, and all the countries in which we operate.

In the final analysis, only people make things happen—get things done. Can one person make a difference? Yes.

## KAISER ALUMINIUM & CHEMICAL CORPORATION

For more information about our 'One person can make a difference' programme, write to:  
25/28 Old Burlington Street, London, England W1X 1LB.

## Exporters and Importers of Aluminium Ingots and Scrap



# STENA METALL

Telephone: 17 35 40

Telex: 2886, 2859

Cables: Stenametall Gotteburg

Address: P.O. Box 2507, S-406 17 Gotteburg 2,

Sweden.

ing & F  
No. 10  
St. George  
236:1 Tel

البحر الأحمر



# ALUMINIUM III

## Need to cut energy costs

Energy and conservation issues are more important than ever to the aluminium industry, which is highly concerned about the efficiency of its production methods and about its ability to advance in the recycling of scrap metal. On the one hand, the aluminium industry is a very energy-intensive process, while on the other metal is eminently recyclable. This has led to much emphasis on the possibilities for the development of recycling technology—the new process being developed by Alcoa looks to be out runner—and to a growing awareness in the industry of the possibilities of recycling far more aluminium for secondary refining.

U.K. energy costs of producing a ton of aluminium from raw materials is estimated to be a massive 83,500 at Hours Thermal. However, the energy expended in recycling a ton of recycled aluminium is barely 5 per cent. Smelting along with radiation bauxite-alumina route will have to be on an enormous scale, as is also true that this scale is reduced—and significant amounts of energy saved—if the consumer becomes more conscious of the benefits of recycling, which will present a continuous and cumulative saving.

Although the energy cost of producing a ton of aluminium has fallen by around 40 per cent since the end of World War II as a result of gradual improvements in the operating efficiency of existing techniques, the new smelting process announced three years ago by Alcoa—one of the giants of the world aluminium industry—offers a quantum leap in efficiency. It is no exaggeration to say that the whole of the industry now has its collective eye on Alcoa's pilot plant in Anderson County, Texas, which, it is hoped, will come on stream later this year. Alcoa's new method is claimed to offer electricity savings of as much as 30 per cent over the most efficient Hall units currently in operation. It is also claimed to be more tolerant of power interruption and can accept power reductions during peak demand times. Projected total operating costs are lower while it is also believed that the process will enable aluminium smelters to be built on smaller sites with greater flexibility.

### Equation

The other side of the energy cost equation is the greatly increased attractiveness of recycled aluminium. The actual secondary smelting process is a relatively simple one, described fundamentally as "a big pot with a fire under it." Thus it is not recycling techniques which are currently the focus of attention, but rather the possibilities of reclaiming more of the thousands of tons of aluminium scrap thrown away every day. The recycling committee of the Birmingham-based Aluminium Federation has been looking at the problem very hard over the last year or so and the cause of aluminium recycling as a whole has no doubt been helped by the appointment of Dr. Bob Berry, chairman of Alcoa, as the Government's

adviser on waste. There are, fundamentally, two types of scrap aluminium: "new" which comes as a by-product of some form of aluminium fabrication activity, and "old," which arises from aluminium products discarded at the end of their useful life. New scrap comes from plants manufacturing aluminium cable, wire, foil, extruded sections and tubing and also from factories making end products like automotive pistons, greenhouses, caravans and outdoor furniture. The principal sources of old aluminium scrap are vehicles, planes, ships and buildings and, around the home, pots and pans, foil food containers, ring pull tins and milk bottle tops.

The potential for stepping up scrap collection is seen by the industry as being far higher in the field of old than new scrap. It is estimated that 98 per cent of aluminium scrap from factories is already recycled, so the main concern of the Aluminium Federation's scrap committee lies with the estimated 130,000 tonnes of aluminium scrap which it calculates ends up on rubbish dumps annually. The committee worked out—through a sophisticated analysis

of consumer patterns and the useful life of aluminium objects over the last 20 years—that there were around 280,000 tons of aluminium scrap available for recovery in 1974 but that only around 70,000 tons of this was actually recycled. It would clearly be unrealistic to imagine that the entire residual 190,000 tons could have been recycled, except at vast expense, but if even half this amount could have been retrieved then the potential savings could have been well over £10m., although this of course ignores the cost of collection.

The collection of scrap can take place in two ways: either at the municipal rubbish dump or, preferably, before it is actually thrown away. The Government under the advice of its Waste Management Advisory Council, is sponsoring two projects costing around £1.1m. over the next four years for the automatic sorting of non-ferrous scrap at rubbish dumps. Major companies have for many years liaised with voluntary organisations to collect aluminium and a number of trade associations are urging the collection of aluminium scrap before it finds its way to the dustbin. One such group is the

Aluminium Foil Container Manufacturers Association which offers a booklet giving the names of scrap metal merchants prepared to take aluminium scrap and also offers a list of voluntary organisations which collect it.

The association points out that foil containers offer 99 per cent pure aluminium and are very easily recyclable. Large commercial users of aluminium containers, such as the catering division of Trust Houses Forte, already offer them back to the industry, but the association stresses that several thousand tons more could be reclaimed if the housewife was more aware and had facilities to put aluminium containers to one side after use. Of course, it is important that the desire to preserve resources is not indulged despite economies, but the association firmly believes that practical schemes could be developed for cheaply and efficiently collecting more household aluminium waste.

All three of the major U.K. smelters, Alcan, Alcoa and British Aluminium, have sufficient secondary smelting capacity to handle a larger flow of scrap material and the engineering giant Guest Keen and Nettlefold's is soon to bring on stream at Telford one of the largest and most modern secondary smelters in Europe.

However, the leading recycler in the U.K. and probably one of the largest in Europe remains International Alloys—Intel for short—which is a subsidiary of Alcoa. The company, formed in 1932, has a capacity of around 55,000 tonnes of recycled metal a year. It has achieved a number of technological innovations in recycling and pre-treatment machinery including salt flux recovery plants and swarf dryers, which remove oil and moisture from machinings before they are recycled.

### Licence

Newell Dunford Engineering, a subsidiary of Dunford and Elliot, has achieved export success manufacturing Intel's machines under licence. The 60 swarf dryers worth over £2m. which have been sold by Newell Dunford in the last ten years include five units installed in the USSR last year, while the company also recently sold a giant salt flux recovery plant to a U.S. company.

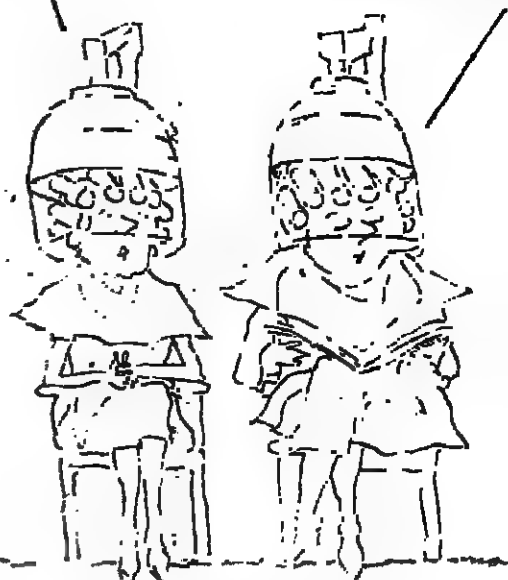
The growing importance of recycling has led to greater emphasis on pre-treatment machinery. In 1974 Intel introduced a £300,000 Fragmentizer processing unit with built-in environmental control which produces fist-size pieces for easier furnace loading and removes contaminants such as lacquers, paints and dirt. At the smaller end of the scale, Pulvermatic—a subsidiary of Metal Box—which was set up five years ago to help deal with the problems of handling scrap of one of the world's largest packaging companies, way, although their control of both mill and stockist shredding machines. By reducing control over pricing. It has to be remembered that the mills are still relatively new to the stockholding business and, as they have proved highly useful at mills and on scrap merchant sites. Such machinery is likely to enjoy growing success as the vertically integrated scrap reclamation becomes both group and for the independent more lucrative and more necessary.

Peter Foster

Peter Foster

"So Jack says he was late from the office because he couldn't find a supplier of Aluminium"

"Either he's lying or he didn't try Gerald Metals."



Gerald Metals is the world of metals

There's no excuse for not knowing where to come for any of the world's metals. It doesn't matter where you are because we are world-wide. Ring Dealing Members of the London Metal Exchange, Gerald Metals Ltd., Europe House, World Trade Centre, St. Katherine by the Tower, London E1 9AA. Tel: 01-481 0681. Telex 884377. Cables: Geraldmet, London. Member of the Gerald Metals Group, New York, London, Mexico, Tokyo, Rio de Janeiro.

## METALS FOR MELTING LTD.

LLANDUDNO

DON'T LET OUR ADDRESS PUT YOU OFF

WHEN IT COMES TO TRADING IN ALUMINIUM WE'RE IN THE FOREFRONT

PLAS GWYN, LLYS HELIG DRIVE, LLANDUDNO, LL30 2XB. Tel: LLANDUDNO (0492) 78935 Telex: 61517. Radiophone: 13261



for Aluminium & Stainless Steel, sheet, plate, coil, strip, rod, bar, tube, etc.

JUST COMMISSIONED!

48" WIDE CUT-TO-LENGTH LINE AND ROLLER LEVELLER

YOUR EXACT SIZES 10/14 DAYS FROM STOCK

COIL SLITTING - GUILLOTINING - PLASTIC COATING

NON FERROUS & STAINLESS STOCKHOLDERS LIMITED.

LONDON, Sugarhouse Lane, Stratford, E15. 01-534 7771  
WOLVERHAMPTON, Pool St., West Midlands. 0902-28211  
BRADFORD, Low Moor Works New Works Rd., Low Moor. 0274-671200  
GLASGOW, 7 Rutherford Rd., Rutherglen. 041-4975141  
MANCHESTER, 944 Chesser Rd., Salford. 061-6657027

## Stockholding controversy

ALUMINIUM stockholding has emerged in the U.K. in the last few years, during the time the stockholders increased their share of aluminium market from 18 per cent to almost 40 per cent. The most significant, and controversial, trend in the last few years has been the move by big aluminium producers as Alcan, Alcoa, Rio Tinto and British Aluminium stockholding as a form of vertical integration. Groups have all bought dependent stockholders to them closer to the markets to protect, while Euro-names like Sidal, which a large import business in K., have also got into the large independent groups.

When the aluminium stockholding industry first began to take off after World War II it was considered by many to be a parasitical middle-man organisation with no more use than that of boosting the overall profit margin on aluminium. However, over the years stockholders proved that they could provide an excellent service by taking the large amounts of aluminium which it was economical for the major smelter to produce and splitting them up and fabricating them for the end user.

### Range

The aluminium stockholder tends to provide a greater range of fabrication services than, for example, the steel stockholder. He will often make things like body panels, window frames, guttering and roof cladding to order, while, at the top end of the range, some companies even provide complete vehicle bodies off the shelf. One of the advantages of the vertical integration of recent years is that it has led to a cutting down in the amount of duplication of often expensive machinery between the mill and the stockholder. An important feature of aluminium is that it is much softer than steel, which means that it has to be handled a great deal more carefully if scratching is to be avoided. This becomes even more important when, as is often the case, the product has a special finish.

There are perhaps 200 stockholders, large and small, in the U.K. at the moment, with the vast majority of the business being done by around 20 of

them. Alcan has emerged in recent years as, by far the largest of the U.K. stockholders with around a fifth of the market. Although it also handles other metals through its Metal Centres, aluminium accounts for around 80 per cent of the £20m. or so annual sales of the group. A year ago Alcan integrated its four stockist subsidiaries under the name of Alcan Metal Centres. The new group is now operating under a purpose-built headquarters/warehouse at Tipton, Staffordshire, which is comprehensively equipped for cutting, coil slitting, bending and other forming operations both on aluminium and other metals.

The head of Alcan's stockist division recently pointed out that there was an increasing tendency for customers to use stockholders as their own stores, thus cutting down on costs. This is, of course, a fairly obvious thing to do when cash is tight. However, when the next upturn in the economy comes it is highly likely that customers will revert to grabbing all the stock in sight, including imports, unless the aluminium producers prove to be almost unique in the post-war British economy in being able to meet in full the demand during an economic upturn.

Although there are a large number of general stockists there are also many both mill-owned and independent who specialise in particular areas of the market. To take a couple of random examples, British Aluminium's stockists at Romsey and at Smethwick specialise, respectively, in the rather diverse fields of boat supplies and the pot and pan industry, while the Birmingham site, one of the bigger independents, Cartfield Lewis, concentrates on

high speed turning rod for the motor industry.

Alcoa is one of the majors who seems to be content with the distribution network based on five sites which it has now built up. It has no immediate expansion plans. The mixed experience of Alcoa's northern region distribution centre mirrors the experience over the last year of many stockholders throughout the country, although the centre's manager was quoted earlier this month as seeing signs of an upturn. Although the centre was affected, like most others, by the general business recession last year, a pick up in trade was noted towards the end of 1975 in the transportation field while there were also signs of a recovery in domestic and retail demand.

Like many other stockholders, Alcoa has been building up its export business despite the continuing low level of world trade and the company has sent aluminium sheet and sections to many customers in northern Europe and has sent aluminium as far afield as the Middle East and Hong Kong.

### Independent

One of the independent companies who seems to be going against the trend to vertical integration, and doing it very successfully, is RDM metals. The company's chairman and managing director both have considerable experience as independent stockholders and have worked for one of the major mill-owned groups. They are sharp critics of what they see as the decline in service from the stockholding network. The company now has four dis-

tribution centres at Birmingham, Derby, Southampton and Greenford and has plans to open another ten sites at the rate of two a year for the next five years.

RDM places heavy emphasis on the devolution of decision making to the managers at each site, which, it believes, enables them to give a better service than stockists who have to continually consult with the mill. At the same time, these small customer-orientated sites are backed up by the national advertising, finances and buying power of a large organisation. So far, RDM's tactics have been highly successful and the company claims to have increased turnover by 30 per cent over the last 12 months despite the overall business climate.

None of the major aluminium smelters denies that there is a continuing role for the independent stockholder to play, environmental control which produces fist-size pieces for easier furnace loading and removes contaminants such as lacquers, paints and dirt. At the smaller end of the scale, Pulvermatic—a subsidiary of Metal Box—which was set up five years ago to help deal with the problems of handling scrap of one of the world's largest packaging companies, way, although their control of both mill and stockist shredding machines. By reducing control over pricing. It has to be remembered that the mills are still relatively new to the stockholding business and, as they have proved highly useful at mills and on scrap merchant sites. Such machinery is likely to enjoy growing success as the vertically integrated scrap reclamation becomes both group and for the independent more lucrative and more necessary.

Peter Foster

Peter Foster

# FIELDING

MAKER OF THE WORLD'S  
FINEST EXTRUSION PRESSES

Fielding & Platt Ltd  
P.O. Box No. 10,  
Atlas Works, Gloucester, GL1 5RF, England  
Telephone: 28611 Telex: 43187 (Fieldplatt Glos.)

A Redman Heenan International Company.



## Aluminium —from raw material to finished product

The ASV Group is an integrated group of industrial enterprises annually producing and marketing over 300,000 tons of aluminium products in all phases from primary ingot to finished goods.

The Group has some 7,000 employees, and sales revenues in 1974 passed 1,600 million kroner of which 1,100 million kroner was accounted for by exports. The parent company, A/S Ardal og Sunndal Verk, is owned by the Norwegian State (75%) and Alcan Aluminium Limited (25%).

### The ASV Group

Smelters	Mines
Ardal Verk, Ardalstangen	Gjerum, Kalksteingruve
Sunddal Verk, Sundalskora	Sunddal, Lasseid, Fluse
Heyanger Verk, Heyanger	Spangruve, Lasseid, pr. Rongberg
Aluminium fabricating plants	Power stations
A/S Nordisk Aluminiumindustri, Holmestrand, H.O. Van Aluminiumvarefabrik, A/S, Rygge, Metallembalasje, A/S, Østestad, pr. Hamar, Tubefabrikken, A/S, Sem, Vik Verk, Vik i Sogn, Emalox, A/S, Oslo, Polaris Fabrikker, A/S, Sandness, Nordisk Aluminium, A/S, Gjøngre, and Skive, Denmark, Kløvbrå, Aluminium, A/S, Copenhagen, Denmark, Aluminium, A/S, Copenhagen, Denmark, AB Nordiska Tubfabriken, Hjo, Sweden, AB Al-Fabrik, Västervik, Sweden, Johnson Metall-Aluminium, Charlottenberg, Denmark, and Kristinehamn, Sweden.	Tin Kraftverk, Ardal i Sogn, Fortum Kraftverk, Fortum i Sogn, Heyanger Kraftverk, Heyanger
Related companies	
US Aluminiumprofil, Rausjø, (50% ASV-owned), A/S, Fjellstrand, Aluminium, Vabbe, Øststrand, (45% ASV-owned), Grong, Gruber, A/S, Røyrvik, (25% ASV-owned), A/S, Megon, Kjeller, (23% ASV-owned), A/S, Petrican, Oslo, (25% ASV-owned), Scandipour, A/S, Kjek, (20% ASV-owned), A/S, Fjellstrand, Oslo, (45% ASV-owned), Chr. Bjelland & Co., A/S, Nærsundby, Denmark, (35% ASV-owned).	

**% ARDAL OG SUNNDAL VERK**  
Sørkedalsveien 6, P.O. Box 5177, Oslo 3, Norway.  
Telephone: 68 58 90, Telex: 11893.  
Cable address: ARDALVERK, Oslo

# British firms see slow growth

IN THE U.K. as in the rest of the world the aluminium industry has spent much of 1977 licking its wounds and waiting for signs that before too long some upturn might take place. With the main aluminium using industries, such as motors and building, severely depressed and with other important growth areas such as packaging also slowing down the decline in shipments which began in the closing months of 1974 has continued throughout the year, though there have been some signs of slight improvement in recent months, from the very depressed levels recorded in mid-1975.

For the first 11 months of 1975, however, total shipments of rolled products at 157,354 tonnes were down 27.5 per cent. on the 217,085 tonnes figure for the same period in 1974. In extruded products, as recorded in figures published by the Aluminium Federation in Birmingham, the decline is somewhat less severe with total shipments at 148,340 tonnes—down 15.3 per cent. on the 175,102 tonnes figure for the first 11 months of 1974.

The fall clearly reflects what has been happening in customer industries. In 1974 a total of 53,000 tonnes of aluminium

products were supplied to transport industries in the U.K. but in 1975 there was a drop of around 10,000 tonnes. In building, the industry's biggest market, there was a drop from 75,000 tonnes supplied in 1974 to around 63,000 tonnes last year. In the packaging market, one of the last areas to be affected by the recession, industry sources estimate that the foil market was down 13,000 tonnes last year from the 60,000 tonnes level of 1974 and in other areas of packaging, including closures and aluminium cans, there was a fall of 10,000 tonnes from the previous year's 40,000 tonnes.

The weak state of demand has inevitably had its effect on the supply of both primary and secondary aluminium to the U.K. market with imports bearing the brunt of the decline. Thus the U.K. primary aluminium smelters actually produced a record output of more than 300,000 tonnes for the year as a whole, topping the 282,671 tonnes produced in 1974. Two of the three big smelters—Alcan's at Lynemouth and the Anglesey aluminium smelter in North Wales—were nevertheless working at below capacity and the third, British

Aluminium's smelter, at Inver-gordon was able to maintain full capacity, only because it was returning metal "borrowed" from other producers during the 1974 boom. Like many other European producers British Aluminium also made sales of primary aluminium to China during the year.

Imports, which in both 1973 and 1974 totalled around 280,000 tonnes were cut back to only 124,525 tonnes in the first ten months of 1975. Secondary production also fell with output declining in the first 11 months of 1975 to 160,081 tonnes against the 192,329 tonnes recorded in the same period of 1974—a fall of nearly 20 per cent.

### Losses

Weak demand has further led to weak selling prices and a situation in which very few companies with a major stake in the aluminium business will have made any money over the past year in the U.K. Among the biggest concerns, Alcan and Alcoa are expected to report losses with British Aluminium making only a small profit. There has also been a considerable trimming back of the

labour force with companies adjusting their manning levels to the level of output. Alcan one of the biggest employers with roughly 20 per cent. of the total U.K. aluminium labour force, reduced its employment by 12 per cent. in the first six months of 1975 and a similar reduction has taken place at British Aluminium.

Perhaps slightly more encouraging for the future is the evidence that despite the problems of the past year the industry went ahead with the bulk of the investment it had planned for 1975. The bulk of this admittedly represented decisions taken during the most recent boom in demand in 1973 and 1974 and a drop in investment will take place in 1976, but the extra capacity, though an embarrassment in the short term, could enable the industry to take advantage quickly of any upturn when it does occur.

The major projects now being completed include a £9.5m. modernisation scheme by Star Aluminium, a subsidiary of Alusuisse, the Swiss producer, at its three U.K. manufacturing locations, Wolverhampton, Bridgworth in Shropshire, and Briton Ferry in West Glamorgan.

Alcan is also currently commissioning three new foil mills at its Rogerstone, Gwent, plant as part of a £5m. modernisation scheme. British Aluminium has also been spending some £2m. at its rolling mills at Falkirk on product quality and cost reduction equipment and a further £8.5m. is being spent on expansion of aluminium chemical production at Burntisland in Scotland with completion due this year.

At Telford in the Midlands BKL, part of the Firth Cleveland sub-group of GKN, is due to bring on stream later this year a new £5m. plant for producing secondary aluminium which will replace an older works at King's Norton, Birmingham. The company is also moving to the same site in Telford its cathodic protection division which produces special "sacrificial" aluminium alloy anodes for use on oil rigs, sea-going vessels, submarine and land-based pipelines and other applications where there is a high corrosion risk. The anode is used to attract the corrosion so that the main structure can remain sound. The Telford development is part of a general re-organisation of aluminium operations within BKL.

The biggest scheme of all, however, representing the largest single investment in the U.K. by the aluminium industry since the smelters were built in the late 1960s, is a £35m. rolling mill due to come into operation at Warrnatwydd, near Swansea, later this year. The plant, the biggest of its kind in Europe, will have a capacity of around 55,000 tonnes of sheet a year and will supply one of the fastest growing aluminium markets—beverage cans. Alcan is hoping to export half the output of its Swansea plant to Europe and will gradually phase out its imports from the U.K. as stock as production at Swansea builds up. The investment will more than double the output from Alcan's Swansea works and establish Britain as the main European manufacturing base for Alcan.

### Change

The past year has also seen a major change in the ownership of one of the three U.K. smelters—Anglesey Aluminium. Kaiser Aluminium and Chemical Corporation, the third biggest U.S. producer, has doubled its holding in Anglesey from 33.66 per cent. to 66.66 per cent., with BICC, one of the original partners, releasing its 19 per cent. stake, and RTI the other partner, reducing its stake from 47 to 33 per cent. The move comes in the wake of substantial losses made in the plant in its first three years of operation, losses which are likely to be added to again in the present year. The move therefore means that Kaiser now has the responsibility of ensuring that the plant recovers which has been started following a period of labour and production difficulties, is successfully completed. Nevertheless, although the weak state of demand has added to the difficulties this year, the move to Kaiser could yet prove to be extremely shrewd.

For the various new projects coming on stream in Britain to prove successful, however, recovery from present depressed trading levels will obviously be necessary, according to the industry, price will have to increase. In the past year Alcan, which sets its price in the U.K. for primary ingot, has moved its prices up twice, from £278.00 to £280.10 in April and by a further £24.10 in December—a total increase of some 11 per cent. over the year or roughly half the level of inflation generally.

At this level according to John Elton, chairman of Alcan (U.K.), substantial further investment by the industry can take place. "The problem is that cost increases throughout the world are not being recovered in these prices. Even if this is a return to higher levels throughout it will still be necessary to recoup the cost increases that have taken place in labour, energy, and raw materials over the past year."

A further problem according to Mr. Ronny Utiger, managing director of British Aluminium, is that the operations of price cost as it stands at present are likely to prevent the industry achieving the higher price level it requires even if demand in the market makes this possible. In the U.K. market there is evidence of a slight pick-up in deliveries of rolled products extrusions in the closing months of 1975 and this has provided grounds for a little optimism. According to Stewart, general manager Europe for Alcoa, this suggests that destocking may have to an end and that customers are returning to some higher levels of ordering.

Rhys David

Rhys Ds

## The major markets

IN MARKETS around the world the past year is likely to be seen in retrospect as one which represented the aluminium industry's point of view a change of course. For after a period of trying to find new outlets for aluminium in a variety of end-uses, and in competition with various other products, the dramatic rise in the cost of raw materials and the subsequent recession have led the industry to see value in the idea of more specialisation.

The principal reason for this is the low rate of return which aluminium has been able to earn in recent years and the effect this has had on its ability to continue the same steady rate of expansion as in the 1960s. In that period at a time of 7 per cent. average growth rate per year in aluminium consumption (and as much as 20 per cent. in some markets in the boom year 1973) the industry was still averaging only a 5 per cent. return on capital. The decline in demand since the end of 1974 has depressed earnings even further and sent companies around the world into loss.

Unless the companies get knocked on course by another sudden boom or continued recession it is likely they will be happier in future to have aluminium's growth rate and double its rate of return. Increasingly it has come to be recognised that aluminium is best aimed at markets where its unique properties can be used and where it can attract a premium over other competing materials.

One major example of this is in the transport field where aluminium has an advantage over other materials such as steel in that it can offer weight and consequently fuel savings. In this field as in other important outlets in building, packaging and elsewhere, the key is likely to be selectivity with aluminium no longer pitting itself against competitive products which can do the job as well and which as a result

will drive prices down. In transportation most of the major developments in recent years have come from the U.S. which has led the way with the introduction of the metal in truck and car body and engine parts. After securing a sizeable penetration into the truck body market, aluminium has in recent years been used increasingly in truck cabs and chassis where it has a better opportunity of replacing heavier components made of other materials.

In the 16-ton-plus class in the U.S. the total of 140,000 cabs produced in 1974 are estimated to have been aluminium, with a weight saving per vehicle put at 200-300 lbs. In chassis, aluminium accounted for only around 20,000 out of a total of 2.9m. trucks built in 1974 but this is a figure which the industry clearly believes it can build upon.

### Saving

Europe has been slower to move in this direction but Alusuisse, the leading Swiss producer, is hoping a similar development can be encouraged, and has recently unveiled a new 16-ton all aluminium truck which it claims gives a weight saving of 497 kg. over steel. The advantages, according to the company, are that this much extra payload can be carried and in addition a fuel saving of some 4 per cent. is achieved. As well as an aluminium cab and chassis the prototype, which was shown at the Geneva international auto salon this month, has aluminium bumpers, wheel rims, fuel and compressed air tanks and other components.

But while the truck market has enormous potential the industry's eyes in the U.S. are also turned towards the car market where currently less than 5 per cent. of the vehicle body weight is aluminium. With private motorists also looking for fuel economy the past few years has seen an increase every year in aluminium usage in cars and by 1978 the total usage per vehicle is put at an average of 78 lbs.

The vehicle parts so far supplied include such components as intake manifolds, steering gear housing, transmission components and hub caps, but perhaps most interesting from the industry's point of view are the evaluations of aluminium in other uses now being undertaken by the car manufacturers. A number of the new compact models for 1976 unveiled by the U.S. manufacturers include aluminium hoods and other body parts and if these perform well the way could be open for substantially increased usage in succeeding season's models.

In public transport, too, the industry also sees scope for greatly increased aluminium usage on weight-saving grounds. Alusuisse, a company with a long history of supplying aluminium for the railway network in Switzerland, which has to cope with very steep inclines, has this year won a FF1.2bn. order for aluminium for 1,000 new coaches for the Paris Metro system.

The industry is also planning to step up its efforts to penetrate packaging markets where in some applications aluminium has a particular advantage over other materials. Over the past ten years packaging has been the biggest growth area

for the industry with the annual increase in sales in the U.S. running at nearly 15 per cent. The main impetus has come with the spread of convenience foods but more importantly through the very rapid growth of the canned beer and soft drinks market. Aluminium's introduction to this market came with the development of the aluminium easy-open ring-pull end and it has grown further with the development of all-aluminium two-piece cans which can be filled at very high speeds by the beverage manufacturers.

Total usage of aluminium in packaging in the U.S. came to 1m. tons in 1975 with cans accounting for two-thirds of the total. Next year, according to figures from Reynolds, the second biggest U.S. producer, the total usage in packaging will have risen to 1.25m. tons and by 1980 the industry expects the two-piece all-aluminium can to have increased its share of the U.S. drinks can market from 38 per cent. to 50 per cent. and of the beer can market from 50 per cent. to 75 per cent. As an indication of the size of the market, total beverage can production in the U.S. is expected to be 43bn. in 1975 and by 1980 57bn.

In the U.K. Alcoa is concentrating much of its effort on this market with the building in Swansea of a new £55m. rolling mill designed to produce cans stock for the U.K. and Europe. The total size of the market in the U.K., at present mainly catered for by tinplate, is put at 1.135m. beer cans and 1.050m. soft drink cans in 1975. By 1978 the market is expected to total around 2,900m. cans altogether. As in the U.S., it seems likely aluminium will take an increasing share of the growth in demand for cans, boosting considerably total aluminium usage in this area.

Currently the most important price of copper has also fallen back, delaying the substitution of aluminium for copper though around 50,000 to 60,000 tonnes

in the long term the process will continue simply because in electrical terms 1 kg of aluminium is equivalent to 2 kg of copper. Aluminium's biggest electrical market is in bare conductor for overhead lines and although power station building in Europe has slowed down, a sizeable activity remains in the maintenance of existing networks. The decline in demand in Europe is also being balanced by new business in some of the oil-rich developing countries where extensive electrification schemes are under way.

Aluminium has also won a major market in insulated power cables for the electricity supply industry, where it has largely displaced copper for conductor and lead for sheathing. In the U.K. aluminium is also now used as standard by the Post Office for local distribution cables and is being investigated for possible use in the junction network. Aluminium winding wires for use in industrial motors are now being used throughout Europe.

These are just some of the markets where the industry is likely to step up its efforts over the next few years. Others will also remain important, including building where the industry is a major supplier of extrusions for doors, windows and other building parts, and components for specialised products such as glasshouses.

Aluminium has also found some major tonnage outlets in high technology applications such as the spherical tanks for transporting liquefied natural gas on board ship and for storing it on land.

This market too has been hit by the decline in energy usage which has eased the acute shortages of natural gas feared in the U.S. and Japan and other countries. The market, which has involved the development of specialised welding techniques, is expected to revive, however, once the recovery in world markets occurs.

### Newell Dunford

In addition to their well known range of grinding mills, rotary dryers, kilns and feeders, Newell Dunford Engineering also manufacture and supply world wide, specialised plant for the re-cycling of secondary aluminium including

ND Intal dryer/Cooler for preparing swarf, foil and can scrap prior to re-melting.

ND Intal flux recovery plant for recovering salt and metal from slags.

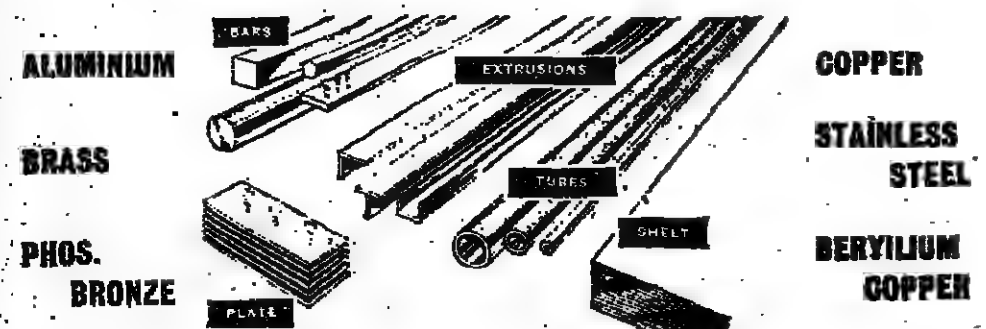
ND Dross processing plant for recovering metal from dross.

ND Coreco Metal Separator for recovering aluminium from mixed scrap.

**ND ENGINEERING**  
Newell Dunford Engineering Ltd  
Newell Dunford House, Park Road, Sutton, Surrey KT8 6GF  
Telephone: 01-871 2211, Telex: 205974

## R. & S. (METALS) LTD.

R/O 157 High St., Barking, Essex. Tel: 01-551 0121 (7 lines) Telex: 897745



LARGE STOCKS AVAILABLE

Telephone: 01-551 0121

Telex No: 897745

## HOW WOULD YOU MAKE THIS IN ALUMINIUM?



Forming and shaping metal is as old as industry itself. Various methods are used - pressing, forging, casting, machine cutting. Now design engineers use aluminium extrusions to solve their production problems economically.

At SAPA we have one of the most modern aluminium extrusion plants in Europe, producing high quality precision extrusions for industry.

Furthermore, we have a working philosophy that is rare - to manufacture to high quality standards, consistently - to honour pre-arranged delivery dates - to provide every customer with a personal service.

So make things easier, call Ken Day at Tibshelf 2761 and ask SAPA TO EXTRUDE FOR YOU.

You may also like a copy of the SAPA brochure entitled "SAPA IN BRITAIN" by sending your letter heading to us. SAPA Limited, Saw Pit Lane, Tibshelf, Derby DE5 5NQ. Telephone: 077-388 2761. Telex: 377586 SAPA Tibshelf.

**SAPA**  
GROWING IN BRITAIN



# The Executive's World

An ex-merchant banker now heads Britain's largest brewer

## Bass enters a new phase

BY KENNETH GOODING

WEEK ago Mr. Derek Palmer took over as chairman and chief executive of Bass Charrington, Britain's biggest beer producer, a group with substantial assets, hotels and other interests. He inherits a concern with 82,400 employees, sales of £255m, tax profits of £55.6m, and a recent stock market value in a region of £290m.

Mr. Palmer, now 56, has had a career which has brought him very wide circles of contacts. In fact, he says (while first naming himself as sounding modest): "My biggest advantage is that I know a great many people in industry, Whitehall and the City."

Certainly Mr. Palmer has had a remarkably varied life and a which has provided one of his experiences after another. For example, his wartime service—he was a lieutenant-colonel at 25—taught him the art of decision-taking at a very early age. As an accountant at Peat Marwick Mitchell, the war he came into contact with a large number of industrial companies and got a good bird's-eye view of the way they were managed. Later he helped build up the Hillier Hillier banking business under the leadership of Sir Kenneth Keith. Philip Hill was merged with Samuel to form Hill Samuel. His merchant banking days were followed by a merger of a company and it was in that capacity that he first became involved with the drinks business.

### Determined

When Mr. Eddie Taylor, who built up Canadian Breweries, turned his attention to the U.K. brewing industry, he moved in determined to put together a powerful group by joining up small companies and adding them into one, Mr. Palmer was the man he pointed to do the job. So, United Breweries was formed. Mr. Palmer recalls: "There is no doubt that Eddie Taylor shook up the brewing industry. But nothing which flowed really destroyed the old traditions which existed in the brewing companies. I have just been rationalised and the groupings of companies have been made a little more efficient."

It did not stop there. An order was arranged between United Breweries and Charrington, with Mr. Palmer handling the details. He also had a hand in the merger of two pre-eminent Midlands-based brewers, Mitchells and Butlers and Bass, Ratcliff and Grettton. In 1961, six years later, came the ultimate step with the brewing industry's biggest-ever merger—between BMB and UB (Charrington United Breweries) and Bass Charrington was born. Mr. Palmer was at both the conception and the delivery.

"If there is any criticism to be made of the brewing industry in the past it is that perhaps the family businesses were too inward-looking. This did not allow in people with modern management techniques. But to-day I think the industry has a nice balance of



Mr. Derek Palmer, chairman of Bass Charrington

the old-style brewers and people from outside," says Mr. Palmer.

He took two years out of merchant banking and the private sector of industry, starting in 1965 when he became one of the industrial advisers invited to join the Department of Economic Affairs by the then Minister George Brown. The position of adviser with-out any authority was frustrating. Nevertheless, it was rewarding in experience and the people I worked with then are now all among the top ranks of the Civil Service and have remained personal friends.

Those years at the DEA also gave Mr. Palmer insight into the workings of the civil service and a good look at the way Ministers operate. As a result he has often been asked to join delegations which must deal with Ministers. For example, from the Confederation of British Industry or the Brewers' Society. This, in turn, has reinforced his experience and brought him a new range of contacts.

Five years ago he was ready to move out of merchant banking into industry and had a number of attractive offers to consider. He chose to move to Bass "because I saw it was a happy company, one where I could do a good job without the prospect of becoming involved in interminable warfare."

For the past couple of years as deputy chief executive, he has been the obvious successor to Sir Alan Walker, who retired last week as chairman and chief executive.

Sir Alan is a difficult man to follow. He, too, was a relative latecomer to the brewing industry. He joined Mitchells and Butlers as chief executive in 1956 and emerged as the top man as each of the succession of mergers was completed and finally emerged as chairman and chief executive of Bass Charrington after the 1967 merger. Although continuing his links with the group by becoming its president, Sir Alan will not be a Board member. Mr. Palmer describes this as "a typically unselfish decision. He felt that if he took up a non-executive position on the Board it would inhibit his successor because of the length of time he has been

final decisions, is still looking after finance.

He expects that Bass will have to operate under some form of price control for some years because price controls will remain "in return for something on the wages side."

Currently the group is concentrating hard on cost control and on keeping capital expenditure to a level covered by cash flow. "This is a deliberate policy, we have only once been caught out. In 1974, when we faced a tremendous increase in working capital because of inflation."

He agrees with Sir Alan that the group still has scope to produce a better return on capital employed. But with both market forces and the Price Code keeping prices in check, earnings will have to be improved by getting a greater volume of sales.

Among the financial problems Mr. Palmer faces is that some £22m. of borrowings, with a knock-down average interest rate of 5.8 per cent, are due to be repaid during the next three years. But this is under control. Part will be refinanced and part will be repaid out of cash flow, says Mr. Palmer.

Bass is clearly the largest producer of beer in the U.K. with around 30 per cent of the market and, says Mr. Palmer, "we must hold that position and increase our market share."

This will be from organic growth rather than by acquisition as he is sure the group would run into Monopolies Commission problems if it tried to make any worthwhile bid for another company. On the beer front the group already has 28 per cent of the larger market with the Carling Black Label and Tennent's brands and it is the larger sector which is growing fastest. Bass intends to have around one-third of the larger market by the mid 1980s—by which time it will be one-third of the overall beer market.

The high prices asked and the low profitability, because of price controls has made it impossible for Bass to expand by buying more brewing businesses on the Continent where it already has a solid base with its control of La Mot in Belgium.

### Co-operation

However, a recently concluded deal to sell Tuborg Lager to the U.K. has brought with it the understanding with United Breweries of Denmark (which also takes in Carlsberg) of future co-operation in Europe "and we shall take active steps to see this is developed."

In the U.K. Bass still has some room to go in developing the catering activities in its pubs, according to Mr. Palmer. Until the recession, Bass believed that the leisure centre would be the right area for expansion here. The Elm Park Ball leisure complex "has gone well" but he gives the impression that because of the recession Bass is not planning to advance quite as fast as it once planned in this area. But it is keeping a look out for all possible areas of expansion both in the U.K. and in Europe.

Mr. Palmer maintains he is totally opposed to diversifications outside the leisure industry. We have a sufficient portfolio of interests without going outside."

Geoffrey Owen looks at the changing attitudes among U.S. companies towards investment in Europe

## A halt to the invasion

### HOW EUROPE'S COSTS HAVE RISEN

UNIT LABOUR COSTS  
(PERCENTAGE CHANGE IN U.S. DOLLARS)

	U.S.	France	Germany	U.K.
1974-73	8.8	6.5	14.5	14.4
1973-72	1.5	22.1	27.4	3.8
1972-71	-0.1	14.4	14.6	11.1
1971-70	0.0	6.8	13.8	11.2
Total				
1974-70	10.2	58.9	96.4	48.7

HOURLY COMPENSATION IN MANUFACTURING  
(PERCENTAGE CHANGE IN U.S. DOLLARS)

	U.S.	France	Germany	U.K.
1974-73	9.5	10.2	17.8	14.7
1973-72	7.1	29.2	36.4	11.1
1972-71	5.4	22.1	21.8	15.7
1971-70	6.8	12.3	14.6	16.4
1974-70	32.0	95.2	133.8	71.6

Source: Drexel Burnham

WHEN AN American company disposes of one of its European subsidiaries—Rockwell's closure of its U.K. calculator plant is the latest example—the decision is usually attributed to the special difficulties of the company or of the industry in which it operates. A history of poor management, a shortage of cash, an industry in the grip of recession—these were the kind of factors that led Litton to shut its two British typewriter plants and Chrysler to make its famous threat to pull out of the U.K. In Rockwell's case the calculator business is in a bad way and the cost of assembly from imported components had become prohibitive.

Yet the number of closures and disposals by American companies which have occurred throughout Europe in the past year or so suggests that more general factors are also at work. In Germany, France, and Italy, companies such as Singer, Westinghouse, W. R. Grace, General Foods and White Motor have abandoned or sold a variety of manufacturing and selling operations. At the same time new ventures, especially acquisitions, have been few and far between. Is an American retreat from Europe under way?

It is true that the world recession has forced all companies to cut back their investments and to take a harder look at their loss-makers; since Americans tend to be more ruthless than Europeans in these matters, the state of closures is understandable. But there is also evidence that the attitudes of U.S. businessmen towards investment in Europe have been changing and that other parts of the world (including the U.S. itself) are now seen as offering a more hospitable environment and a higher return.

### Crying out

A decade ago Europe was the "new frontier" for U.S. business, offering undeveloped markets, apparently crying out for American salesmanship and inefficient industries desperate for American know-how. Going "multinational" and going European in particular, was the fashion. In the headlong rush into Europe many errors were made. Some of the invaders had no experience of international business; they bought the wrong companies, sent the wrong people over to manage them and misjudged the needs of the market. To some extent the recent closures represent the unwinding of these mistakes.

At the same time the rapid rise in European labour costs — and the movement in exchange rates — has weakened the case for using Continental Europe as a base for supplying world markets. This is especially true of Germany: some companies are finding it more profitable to ship goods in from the U.S., even from the West Coast, than to manufacture locally.

Even more worrying than direct labour costs are the "social welfare" costs which appear to be escalating in the face of union pressure and "socialistic" governments. On top of that, there is the seemingly inexorable trend towards worker participation, which will impose new burdens on managers, limit their freedom of action and, as the Americans see it, make it harder to earn an acceptable profit. Price control is another irritant.

Whether these trends are right or wrong, the fact is that they do not exist to anything like the same extent in the U.S. or in other parts of the world (such as Brazil and parts of the Far East) which are attracting considerable investment interest. "Some American multinationals have been rediscovering America," one banker suggests; "they have

For family-controlled concerns that want to sell out—and there are plenty of these around, especially on the Continent—U.S. companies remain potential purchasers. But U.S. takeover activity is modest compared to what is happening in the other direction. Hawker Siddeley and Babcock and Wilcox are among a sizeable list of European companies which have made large-scale bids in the U.S. Some have been bitterly resisted, like Imetal's offer for Copperweld, and fears have even been expressed of an impending foreign invasion leading to loss of control over key industries.

### Exaggerated

Such fears are wildly exaggerated, but they are a sign of the times. The recent experience of W. R. Grace illustrates the point. A year ago it sold the bulk of its 80 per cent holding in the French hotel and catering group, Jacques Borel International, which it had acquired in 1967. A few months later the German Flick group acquired 4m. newly issued shares in Grace itself, giving it over 10 per cent of the American company's equity at a cost of about \$100m.

All these developments indicate not a wholesale withdrawal from Europe but a changing relationship between American and European business which is probably healthy. The "American challenge" has certainly not disappeared. In the high-technology industries it is as strong as ever; it is even possible to argue though the Swiss would strongly disagree, that because of advances in technology the centre of world watch-making is shifting to the U.S. The fact that some American companies are pulling more emphasis on exports from the U.S. may make them more formidable competitors, not less.

At the same time the notion that European industry would soon be swamped up by a handful of American giants looks much less credible than it did a few years ago. Examples of mismanagement have been numerous enough to show that American industry is not all-powerful, while the Europeans have demonstrated that they are capable of fighting back in the U.S. market itself.

This announcement appears as a matter of record only

### REPUBLIC OF GABON OWENDO HARBOUR PROJECT D.M. 20,000,000 MEDIUM TERM LOAN

Managed by

UNION DE BANQUES ARABES ET FRANÇAISES - U.B.A.F.

and provided by

BANQUE COMMERCIALE POUR L'EUROPE DU NORD (EUROBANK)  
BANQUE INTERCONTINENTALE ARABE  
CHEMICAL BANK  
CONTINENTAL-ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

CRÉDIT LYONNAIS

MIDLAND AND INTERNATIONAL BANKS LIMITED

STANDARD CHARTERED BANK LIMITED

UBAF LIMITED

UNION DE BANQUES ARABES ET FRANÇAISES - U.B.A.F.

Agent

UNION DE BANQUES ARABES ET FRANÇAISES - U.B.A.F.

Adviser

UBAF FINANCIAL SERVICES LIMITED

All of these Securities have been sold. This announcement appears as a matter of record only.

\$200,000,000

### Stauffer Chemical Company

\$125,000,000 8.85% Debentures Due 2001

\$75,000,000 8½% Notes Due 1986

Interest payable January 15 and July 15

MORGAN STANLEY & CO.

THE FIRST BOSTON CORPORATION

MERRILL LYNCH, PIERCE, FENNER & SMITH

BLUTH EASTMAN DILLON & CO.

HALEY, STUART & CO. INC.

R. K. RUFFIN & COMPANY INC.

LAZARD FRERES & CO.

PAINE, WEBBER, JACKSON & CURTIS

WERTHEIM & CO., INC.

DILLON, READ & CO. INC.

HORNBLOWER & WEEKS-HEMPHILL, NOYES

KIDDER, PEABODY & CO.

LEHMAN BROTHERS

REYNOLDS SECURITIES INC.

WHITE, WELD & CO.

GOLDMAN, SACHS & CO.

DEAN WITTER & CO.

DREXEL BURNHAM & CO.

KUHN, LOEB & CO.

LOEB, RHOADES & CO.

SMITH, BARNEY & CO.

WARBURG PARIBAS BECKER INC.

BARCLAYS MERCHANT BANK LIMITED  
ANNOUNCE THAT ITS  
SHARE REGISTRATION AND NEW ISSUE  
SERVICES WILL CONTINUE TO  
OPERATE FROM THEIR PRESENT ADDRESSES  
UNDER THE NAME  
BARCLAYS BANK (LONDON AND INTERNATIONAL)  
LIMITED.

Registration Department

Radbrooke Hall

Knutsford, Cheshire WA16 9EU

Telephone: 0565 3888

New Issues Department

P.O. Box 123, 2 London Wall Buildings

London Wall, London EC2P 2BU

Telephone: 01-623 4311



## THE FINANCIAL TIMES

(Established 1888)  
Incorporating THE FINANCIAL NEWS  
(Established 1844)

Head Office & Advertisement Offices:  
BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY.  
Telephone Day & Night 01-248 8000. Telegrams: Finantime, London.  
Telex: 886341/2, 883897

For Share Index and Business News Summary Ring: 01-246 8026

Birmingham: George House, George Road, B1 1AA. Tel: 021-434 9931

London: 10 Finsbury Square, EC2A 3DU. Tel: 01-248 8000

Manchester: 10 Finsbury Square, EC2A 3DU. Tel: 01-248 8000

New York: 10 Finsbury Square, EC2A 3DU. Tel: 01-248 8000

Paris: 10 Finsbury Square, EC2A 3DU. Tel: 01-248 8000

Frankfurt: 10 Finsbury Square, EC2A 3DU. Tel: 01-248 8000

Tuesday, January 27, 1976

## Truth telling and taxes

THE TAX burden has been dramatically transformed from a middle-class grumble to a major complication in all social security matters, and a key factor in discussion with the unions on incomes policy. A paper published by Mr. Ralph Howell, MP, for the Low Pay Research Unit, shows that the tax threshold has fallen, for a man with two children, from 107 per cent of the national average wage in 1952-53 to 49 per cent in the present financial year. Tax for him now starts at £28.60, a level below the poverty level as defined for Supplementary Benefits.

The basic reason for these absurdities is the rising burden of public expenditure and taxation. For the married man with two children earning the average wage, the percentage of income taken in tax and social security contributions rose from less than 5 per cent in the early 1950s to 18 per cent in the early 1970s, and has risen again to over 25 per cent. The problem will be alleviated only when the proportion of the national income taken in public expenditure stops rising and then declines.

### Not concessions

There are no solutions by doing things with mirrors. The instinctive Conservative inclination is to shift the burden to consumer taxes. This is basically an attempt to hide its size by imposing the tax on shop prices rather than on the pay packet, rather like the Common Agricultural Policy. It is quickly seen through, and by its impact on the Retail Price Index makes the control of inflation more difficult. Nor would Mr. Howell's suggestion of a national minimum wage really help. This would increase industrial costs, and price out of employment the least skilful and disadvantaged workers whom it is designed to help. Experience of minimum wage laws in the U.S. provides ample evidence of such effects. The Chancellor's own inclination seems to be to raise the personal allowances, and possibly some of the starting points of the higher tax rates. A move in this direction would be necessary simply to prevent the direct tax burden continuing to become heavier for the low wage earner and the

### Fiscal honesty

Honesty may not always be the best policy; but people do now see through backdoor methods of increasing taxes or through fictitious reductions. The indexation of the tax thresholds and the starting points of the higher rates would be no guarantee that they could remain constant in real terms. But the Chancellor would then have to come clean about the increases and the reasons for them, instead of claiming that they are actually reductions. Fiscal honesty might even pay on the wages front. Trade union wage claims assume existing nominal tax rates and do not even allow for the partial three-fold changes in an average Budget. By insisting on the largely mythical freedom for manoeuvre provided by non-indexation, the Treasury is encouraging wage earners to take an even more pessimistic view of the tax burden than is justified by the facts; and that is saying something.

## Unemployment and the unions

IT IS clear that the size of the unemployment figures is beginning to have a greater effect on public opinion. This may be partly due to the sheer size of the gross figures commonly quoted, which take no account of special factors like university students moving on and off the unemployment register between vacations, let alone more traditional forces which tend to swell the unemployment figures early in the year.

But unemployment has been rising relatively fast and to relatively high levels for some time past, and until now there has been remarkably little genuine protest about it from TUC leaders or Labour backbenchers. The reasons why protest has suddenly become more vocal may owe something to the fact that a growing number of the unemployed have now worn out the cushion provided at first by redundancy and social security payments. But, more generally, the protests seem to have both a sophisticated and an unsophisticated aspect. The sophisticated aspect is that people are now more aware of the gap which normally exists between a turn-up in national output and a recovery in the demand for labour.

### Unsophisticated

The unsophisticated aspect, which made them so readily predictable, is adherence to a traditional sequence of events, in which demand for action to reduce tends to drive the managers of the economy off course at precisely the moment when it is past the worst. Given the time-lag referred to above, such action tends to produce its impact just as the demand for labour is already beginning to revive. Its effect then is to multiply local shortages of productive capacity and make the demand for higher wages greater than it would otherwise have been. In our present situation, it would be to prevent a further reduction of our pay-

The problem-hit banking system is the latest U.S. institution under pressure for public investigation

# The call to account that may face America's banks

From GUY DE JONQUIERES, New York, January 26

ARGUING in favour of public disclosure, the late U.S. Supreme Court Justice Louis Brandeis observed earlier this century that "Sunlight is the best disinfectant." But even he might be surprised at the vehemence with which the principle behind his maxim is being asserted in the conduct of America's affairs to-day.

It is now the turn of the American banking system to feel the pressure for a searching public investigation into its affairs. In the spirit of those already being faced by the Central Intelligence Agency, the oil companies and corporate slush funds. Political enthusiasm for such an inquiry, especially among Congressional Democrats, has undeniably been whetted by the approach of next November's elections.

Since the Washington Post reported earlier this month that First National City Bank and Chase Manhattan had been placed on the Comptroller of the Currency's "problem" list, Congress has lost no time in seizing the initiative. A House sub-committee has already voted to subpoena the confidential examiners' reports on the two banks. Three separate sets of hearings have been called, and proposals for reform of the banking system are rapidly gaining momentum.

There is certainly a good case to be made for requiring broader disclosure by banks, as well as for a reform of the unnecessarily complex structure of Federal supervision, which is currently dispersed across three competing agencies. It may be argued that if more information had been readily available and if the regulatory machinery had been less cumbersome, the shocks caused by the collapse of the Franklin National Bank in 1974 would have been considerably less violent.

### Expressions of alarm

But the prospect that such questions will be decided along partisan lines at a time when many banks have yet to recover from the bruising upheavals of the past two years has brought expressions of alarm from the supervisory authorities. Dr. Arthur Burns, the Chairman of the Federal Reserve Board, warned Congress the other day that ill-considered disclosures could both precipitate a sudden loss of confidence in the banking system and cause bankers to adopt excessively cautious lending policies.

So far, the former danger has shown no signs of materialising. Thanks perhaps to some discreet intervention by the Fed, the financial markets have taken events calmly, and there has been no evidence of hasty with-

drawals by large depositors. Sophisticated investors have in any case been aware of the banks' problems for some time—as is clear from the low multiples which bank shares have commanded in recent months.

Whether bankers will feel constrained to trim their sails to the political cross-winds may

out to overseas borrowers. The House Banking Committee is working on proposals to place stricter curbs on U.S. banks' loans and investments abroad and to encourage them to regroup their foreign operations in their home offices. Consideration is also being given to legislation that would require U.S. banks to turn their foreign

pointed towards recovery, and all they need now is time to complete the process. Perhaps, this is true, but the road to recovery is also strewn with uncertainties. To a significant extent, the banks' progress over the next 12 months will be determined by the performance of the economy. This will not only influence the strength of

received the attention of the accounting profession that the banks have been able to avoid writing down the value of a sizeable part of their New York City debt.

In addition, the weakness of the international shipping market is likely to pose continuing problems for those banks with sizeable tanker loans outstanding. There are also some grounds for concern in the slightly longer run about banks' leasing operations, on which large retroactive tax payments would become due if the volume of business were to decline sharply. Current conditions in several industries which have been major lending customers, notably the airlines, raise some doubt about the scope for future expansion.

### RESULTS OF MAJOR U.S. BANK HOLDING COMPANIES

	OPERATING EARNINGS				Holding of	
	4th quarter	Change from year earlier	Full year	Change	Provision for loans losses	New York City related securities
	1975 (\$m.)	(%)	1975 (\$m.)	(%)	1975 (\$m.)	1975 (%)
BankAmerica	82.8	+ 9.8	301.7	+17.5	174.8	+ 45.1
Citicorp	73.5	- 8.6	348.2	+11.2	327.1	+134.1
Chase Manhattan	19.2	-69.3	156.6	-14.0	312.4	+163.6
Manufacturers Hanover	27.9	-17.5	136.4	+ 7.4	86.7	+ 47.1
J. P. Morgan	49.9	- 4.4	191.9	+ 7.1	96.6	+134.5
Chemical	22.4	-17.0	92.6	+ 7.3	140.9	+134.1
Bankers Trust	12.3	-41.4	63.2	-10.6	111.0	+ 62.5
Continental Illinois	30.1	+11.1	119.0	+24.1	75.0	+128.0
First Chicago	24.6	-13.1	105.5	+ 0.7	116.5	+124.4



Dr. Arthur Burns, chairman of the Fed, has warned of a possible loss of confidence.

### Slimmer margins

To this rather uncertain picture must be added the probability that bank earnings will be a good deal less buoyant this year than in 1975. Domestic lending has yet to show signs of a strong pick-up, and margins are considerably slimmer than at this time a year ago. Moreover, the narrowing of the spreads on foreign business is likely to have a significant impact, especially on bigger banks.

Only about 140, or less than 1 per cent, of U.S. banks have foreign operations, but together they account for almost half of the industry's net income. Many of the bigger banks have relied heavily on foreign earnings to push up their total profits in recent years. A recent study by Loeb Rhoades found that foreign earnings of the five biggest bank holding companies (BankAmerica, Citicorp, Chase Manhattan, J. P. Morgan and Manufacturers Hanover) rose at a compound rate of 34 per cent between 1970 and 1974, while domestic earnings grew by a meagre 3 per cent.

In the past few years, Federal regulatory policy has placed a high priority on maintaining healthy bank earnings in order to replenish capital. There are strong suspicions in Congress that this official concern has gone hand-in-hand with an excessively lenient attitude towards past mistakes by bank management, and that mutual concern for the welfare of the banking system has bred a cosy relationship between the regulators and the regulated.

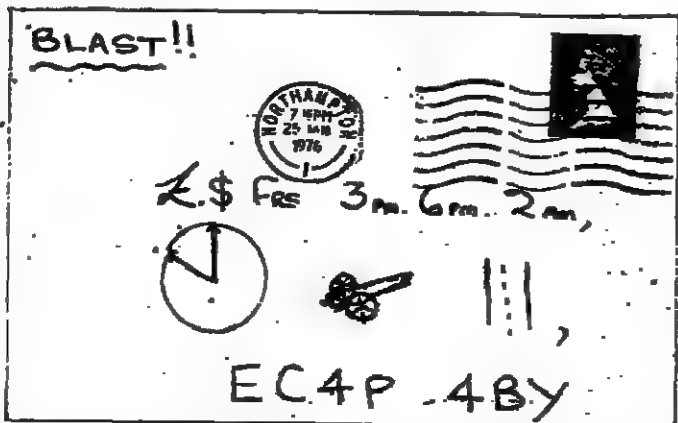
How far this is true, and how many more embarrassing revelations banks will have to endure, may become clear over the next few weeks. But whatever the merits of enforcing such disclosures, it is probably fair to say that the current public uneasiness about the banks will linger on until answers are given to some of the questions which provoked it.

## MEN AND MATTERS

### The rustler problem

At a National Farmers' Union meeting in North Wales last night, subjects on the agenda included the problem of sheep and even cattle stealing. For as John Bransby, president-elect of the NFU Flintshire county branch put it succinctly:

### Post early and post peculiar



The Post Office receives more in the country equipped to deal with such intricacies. (On only 6 per cent of our inland mail is the code currently effective.) Prompt delivery therefore to cast their eye over the above was due to ingenuity. The Post received in this office yesterday morning. Posted second class from Northampton at 7.15 p.m. on Sunday night that in itself could be something of a record posted daily were cryptically addressed it would cause added problems.

Last word to the perpetrator of the exercise. Enclosed in the envelope was his solution to Saturday's prize crossword. (Entries are supposed to be to track down Financial Times, marked "Crossword" on the top left hand corner and "Blast!" (correct) post code which appears at the bottom of the ad.) But Northampton is not whether the solution enclosed one of those mechanised areas

the rounding up, but Bransby and his neighbours are puzzled by the latest evidence that young steers have now become targets for theft.

Many reports about sheep-stealing come from the North. An NFU spokesman in Yorkshire was reluctant, however, to ascribe missing animal cases to thieves. He pointed to the "very few" prosecutions that have occurred—something that is also true of what most of us would regard as the home of rustling, though Texas and Oklahoma ranchers have no doubt of the serious nature of their crime problems.

The fact is that horse rustling in those States has increased considerably, spurred by the big increases in demand for horse meat as opposed to beef in France, Belgium and Switzerland. Once horsemeat was strictly for the dogs, but between 1972 and 1974 U.S. horsemeat exports leapt six-fold with European importers willing now to pay 65 cents a pound.

The Wall Street Journal examined the phenomenon and concluded that in Texas and Oklahoma States no ungaurded horse was safe any longer. New recognition techniques applied by owners include tattooing the horse's lower lip, but the Journal quotes one Texas lawman as identifying neatly one small difficulty: "You'd have to get 'em to smile to spot it, and that's mighty hard to do."

### Ugly ducklings?

The Retail Trading Standards Association is one of the many worthy and voluntary bodies which preceded and now supplements the Office of Fair Trading in attempts to ensure that consumers get a fair deal. Much of the content of its regular bulletin, RTSA Trade Information Service, is heavy going to the lay reader, referring fre-



quently to laid down British Standards and generally getting into technical detail on the products concerned. This is the case in the January bulletin which devotes most of its front page to a new quality check scheme on Continental quilts. I like the way, however, that almost three full columns are pitifully distilled into one phrase. Commenting on claims about duck down quilts, the RTSA reports: "Some ducks must have grown up looking remarkably like chickens in the past few months."

### Agony column

Margaret Thatcher should have at least one supporter in her verbal battle with the Russian authorities. Legend has it that columnist Marjorie Proops once received a letter signed: "Lonely heart, Conservative Club, Moscow."

Observer

## T. COWIE LIMITED

Preliminary Report Year ended 30th September, 1975

	1975	1974
Turnover	£18,000,000	£16,000,000
Profit before interest	£1,536,000	£1,346,000
Interest	£802,000	£950,000
Profit before taxation	£734,000	£396,000
Taxation @ 52% (Note 1)	£290,000	£191,000
Profit after taxation	£444,000	£205,000
Dividends (pence per share) (Note 2)		
Interim	0.5500p (1974-0.525p)	
Final proposed	0.8375p (1974-0.700p)	
Total for year	1.3875p (1974-1.300p)	
Profit after dividends	£131,000	£130,000
Trend of profits	£313,000	£75,000

### Before taxation and extraordinary items:

Year ended 30th September, 1971	£353,000
Year ended 30th September, 1972	£507,000
Year ended 30th September, 1973	£665,000
Year ended 30th September, 1974	£396,000
Year ended 30th September, 1975	£734,000

Note 1. It is anticipated that as a result of Stock Appreciation Relief no liability will arise to Corporation Tax on the 1975 profit; the provision of £290,000 being entirely in respect of Deferred Taxation.

Note 2. The cost of dividends is after taking into account net cost of dividends by the Chairman amounting to £27,653 (1974-£17,606).

This has been a record year for turnover and profits, all Group motor trade activities as well as the finance division making valuable contributions to the result.

Profitability for the current year is most satisfactory, profits to date being maintained at a similar level to those of the previous year. Your Board is satisfied that your Company is well prepared to take full advantage of any improvement in trading conditions, especially the easing of hire purchase restrictions.

The Annual General Meeting will be held at Millfield House, Sanderland, on 17th March, 1976, and the proposed Final Dividend of 0.8375p per share will be paid on 17th March, 1976, to the Shareholders on the Register at 5 p.m. on 10th February, 1976.

The Ordinary Transfer Books will be closed on 11th February, 1976 for one day only.

Millfield, Sanderland.  
26th January, 1976

By Order Of The Board  
T. Cowie, Chairman







# COMPANY NEWS + COMMENT

## Record £2.85m. from Hall-Thermotank

A BETTER than indicated second half profit of £2.85m., against £1.95m., pushed up the pre-tax profit for the year to September 30, 1975, to £2.85m. from £2.63m. to a record £2.85m.

When reporting a first half contraction from £876,000 to £198,000, the directors stressed that interim results were not a reliable guide to the full year's outcome. They pointed out that the order book, particularly overseas, was strong but in the economic circumstances the home market was weak.

The impact of inflation, plus costs of higher banking charges, meant that it was unlikely there would be an advance on last year's record profit, they added.

Stated earnings per 25p share increased from 8.2p to 9.4p, and the dividend is lifted from 2.6625p to a maximum permitted 2.8432p net with a final of 1.7895p.

1974-75	1973-74
Group turnover	£1,382,453
Profit before tax	£2,850,000
Net profit	£1,950,000
Tax charged	£1,548,133
Attributable	£1,291,139
Preference dividends	£1,065,000
Ordinary	£0.387,139

Referring to the September announcement when P & O expressed its willingness to dispose of its holdings, it is stated that up to date no offer has been received for either all or a substantial part of the Ordinary capital.

### comment

A rise of £24,000 in net interest charges has reduced Hall-Thermotank's trading gain of 25 per cent to one of 0 per cent, before tax. The result is ahead of expectations but the lack of positive news on the bid front, involving P & O's one-third stake, pushed the share price lower to 210p last night—still nearly double the level of six months ago. Profits growth has been evenly balanced, with overseas companies maintaining their one-third share. Despite a rise of 50 per cent in cash received on account, an increase of £2.4m. in stocks and work-in-progress has helped to reduce net liquid funds by £1.1m. Borrowings would be approaching one-half of shareholders funds but for a £3.6m. property revaluation which has taken net assets value up from 84p to 123p. A lift in the tax charge to 34.4 per cent has cut the attributable gain right back, but the implied, rising benefits to earnings of 8.4p in the future and a yield of 4.0 per cent, hardly underpin the share price, bid speculation apart.

### H. J. Baldwin progress

On a turnover 'down' from £323,443 to £270,010, profit of clay and concrete machinery etc. (H. J. Baldwin), increased from £27,494 to £33,001 in the half year to October 31, 1975, subject to tax of £27,780, against £15,180. Profit for the year was £78,148.

Stated earnings per 10p share increased from 0.21p to 0.33p in the six months.

Progress reported last December was maintained during the half year. Demand generally remained healthy, production was at or near normal level, and no significant overruns were reported, the directors state.

The company is controlled by Hartley Baird.

### HIGHLIGHTS

Third quarter profits at Plessey are some 11m. lower extending the run of quarterly shortfalls. No forecast has been given for the full year but there are no real signs of any recovery trends. Lex also takes a look at the Charterhouse accounts which predicts a marked improvement in profits over the medium term. A sharp jump in interest charges at Hall-Thermotank has reduced a trading gain of 25 per cent to one of only 0 per cent, at the pre-tax level. A more cheerful statement has been issued by T. Cowie where profits are 83 per cent higher thanks to more than doubled profits from motor trading.

## Optimism at Vectis Stone

In his annual statement, the chairman of Vectis Stone, Mr. J. A. K. Collins tells members that although forecasting is hazardous, the directors are hopeful that current year results will be "at least as good as last year."

As reported on December 18, pre-tax profits jumped from £177,078 to £248,496 in the year to September 30, 1975, and the dividend is 1.309p (1.133p) net per 10p share.

The accounts show an increase of £311,222 (decrease £37,237) in cash and bank balances.

The Board curtailed capital expenditure to the absolute minimum during the year, says the chairman, and the group balance-sheet reflects a strong liquid position. During the current year essential replacements will be carried out to maintain fleets at an acceptable operational standard.

Since the end of the year it has been agreed that a further area of gravel bearing land, with planning permission, shall be purchased.

During 1976, Channel Fuels will be increasing its activities in Jersey and Guernsey and this will involve additional investment. The Board is confident that this expansion in the oil distribution industry is sound.

## Jevons Cooper advance

Net taxed profit of factors and manufacturers of engineers tools and equipment, Jevons Cooper, amounted to £77,737 for the six months to October 31, 1975, the rate of profit showing an increase of 83 per cent, when compared with the £42,992 for the year to April 30, 1975, and some five times that produced in the previous year.

The directors do not recommend a dividend for this short accounting period, but propose to recommend dividends in respect of the current year to October 31, 1976, the next accounting date at the maximum rate permitted. There was no payment for the previous year, compared with 1.4p net per 10p share for 1974-75.

Basic earnings per share for the half year were 7.8p. For the previous year they were 8.9p, compared with 3.2p for 1974-75. A further increase in earnings is expected in the current year.

Earnings for the six months

are arrived at before extraordinary credits of £80,000 (debits £817,302 for the year).

1975	1974-75
Turnover	£1,865,399
Profit	£156,449
Taxation	£7,737
Net profit	£148,712
Extraordinary credits	£80,000
Balance	£1,373,721

The company, formerly a subsidiary of Cooper Industries, last July acquired Squires Steel Stockholders as from April 1, 1975.

## First half downturn at Kwikform

SELLERS and hirers of scaffolding systems, Kwikform reports turnover of £5.11m. for the half year to October 31, 1975, compared with £5.51m. and pre-tax profits down from £604,823 to £485,738, including share of an associate's profit up from £27,764 to £28,553.

Earnings are shown to be down from 6.1p to 4.9p per 30p share. The interim dividend is held at 1.4p net—last year's total was 4.08p paid from profits of £1.9m. before tax — earnings 10.9p per share.

Chairman Mr. F. M. Russon points out that while the half year profit is down on the corresponding period, the previous year, the company has achieved in the six months to April 28, 1975.

In spite of the deep recession in the construction industry in the U.K., which has affected home sales, hire turnover has increased by 33 per cent, and investment in hire stocks continued throughout the period, he reports.

Export sales have increased but the full benefits are not reflected in the half year. The policy of exploiting the opportunities existing overseas is being pursued with success, and it is expected that results of these activities will become more apparent in the second half of this year, says Mr. Russon.

Statement, Page 15

## T. Cowie profit peak of £0.7m.

ON A TURNOVER up from £18m. to £19m., group pre-tax profit of T. Cowie almost doubled from £306,000 to £724,000 in the year to September 30, 1975, after £258,000, against £152,000, for the first half.

The dividend is stepped up from 1.3p to 1.875p net per 5p share with a final of 0.8375p.

1975	1974-75
Turnover	£19,000,000
Profit	£724,000
Interest	£52,000
Profit before tax	£672,000
Taxation	£152,000
Net profit	£520,000
Dividends	£151,250
Balance	£1,700,000

"An anticipated rise in the cost of operations has led to a sharp increase in the cost of operations in the second half of the year," says the chairman, Mr. T. Cowie.

Profitability for the current year is "most satisfactory," profits to date being maintained at a similar level to those of the previous year, and the directors are satisfied that the company is well prepared to take full advantage of any improvement in trading conditions, especially the easing of hire purchase restrictions.

### comment

More than doubled profits from motor trading and a 50 per cent increase from the finance companies fill Cowie's full-year profits by some 35 per cent. In both sectors there is an element of recovery, but the latest result is a fifth year of growth. Meanwhile, interest charges are £150,000 lower, due to both lower rates and to a reduction of sums borrowed in the proportion of roughly three-to-two. The start of the current year was not lost, the buoyant 1974-75 and a continued strong cash flow (there is still £1m. odd of losses to offset against tax) back Cowie in its review of possible acquisitions. At 57p the p/e of 8.3 and yield of 5.9 per cent, reinforced by net assets of 23p per share, a strong rating, and it will be interesting to see where Cowie turns next for physical expansion.

Statement, Page 15

## Confidence at Avon

MR. HUGH ROGERS, chairman of Rubber, Tyres and Industrial Products Group, told shareholders at the annual meeting that "it is too early to give a forecast of the profit for the current year, but I can say with confidence that we expect the present trend to continue and that it should be possible to make progress towards the restoration of the dividend to the former level."

The group has traded profitably in the first quarter of the current twelve months, after having incurred a pre-tax loss of over £1m. last year, when the net dividend was cut from 8.5p to 1p.

Referring to the previous financial year, Mr. Rogers stated that "considerable progress was made in reducing costs and improving the operating efficiency of the company, and these measures are continuing."

In the last few months Avon Tyres had secured a number of important export contracts for tyres, principally with the Swedish Tyre Group, sold from customers in the U.S. and other parts of Europe, he reported.

Recent discussions with tyre companies and distributors in the U.S. and Canada were expected to result in £2m. of tyre business for Avon during 1976—the highest North American sales in the company's history. This followed the signing of a £10m. tyre agreement with the Trelleborg Group.

Mr. Rogers also told shareholders that Avon had secured a "significant" increase in order books for other products, mainly overseas.



Sir Iain Stewart, chairman of Hall-Thermotank International

### DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding year	Total for year	Total for year
Avon	0.18	Feb. 28	0.7	1.4	1.4
T. Cowie	0.84	March 17	0.78	1.3	1.3
Hall-Thermotank	1.78	April 9	1.3	2.87	2.87
Johnson Construction	1.45	April 9	0.43	1.59	1.59
Kwikform	1.4	July 1	1.4	4.08	4.08
Plessey	1.2	July 1	1.2	3.02(4)	3.02(4)

Dividends shown pence per share net except where otherwise stated.

\*Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. (a) For 9 months.

## H. Wigfall up £53,000 at midway

GROUP PROFIT, before tax, of Henry Wigfall and Son increased from £303,000 to £356,000 in the 28 weeks to October 11, 1975. The figure for the year to March 31, 1975, was £237m.

While the differing rates of VAT on existing and new rental contracts continues to affect adversely the volume of new rental business, some improvement in overall turnover should result from the recent relaxation of credit restrictions, says the chairman, Mr. F. C. B. Morrell.

Policies initiated last year to improve and develop the company are being vigorously pursued, he adds.

The company retails radio and television sets, washing machines, etc.

Statement, Page 15

that some major export markets are again becoming more receptive, says Mr. Harris.

A geographical analysis of turnover (£4.54m.) shows, in percentages, U.K. 80; Europe 4.3; North America 4; Asia 1.3; Africa and Middle East 1.4.

The chairman and four directors waived emoluments totalling £4,462.

Meeting, Kettering, February 20, noon.

## Sir John Roxburgh quits Grovebell

Sir John Roxburgh has resigned his directorship of Grovebell Group, a holding company with interests in caravan and motor trading which traded under the name of Haden Ireland up until March 1975. A mutual settlement between Sir John and the company in respect of his services as managing director has been finalised.

Last November, Mr. E. J. Woolf was appointed chairman of Grovebell and Mr. V. J. Adami was appointed managing director. The group had earlier in the month had its listing on the Stock Exchange restored following the termination of negotiations for two acquisitions.

### comment

A strong run-up by Wigfall since December turned to relative weakness last week and the shares eased another 1p to 197p yesterday. Interim profits are 9 per cent, ahead pre-tax, and the indications are that trading has so far remained more or less static through the more important current half. Retail demand has shown the beginnings of buoyancy during this month's sales, and new TV rental placements have picked up since Christmas. But mail order has stayed steady, and overall Wigfall is unlikely to make much profit progress during 1975-76. The shares yield a prospective 3.4 per cent, and earnings cover topped 7 times in 1974-75. UUT still sits on a quarter of the group equity, and net worth in the last balance sheet represented a 43 per cent premium over the current share price.

Statement, Page 31

## Wearra Group pruning borrowings

Wearra Group is soundly based and poised to profit from any improvement in the national economy, says the chairman, Mr. A. J. Harris.

Group pre-tax profit for the year to September 30, 1975 was £33,238 (£141,116) after a first half deficit.

The directors are pursuing a policy designed to prune borrowings and new TV rental placements have picked up since Christmas. But mail order has stayed steady, and overall Wigfall is unlikely to make much profit progress during 1975-76. The shares yield a prospective 3.4 per cent, and earnings cover topped 7 times in 1974-75. UUT still sits on a quarter of the group equity, and net worth in the last balance sheet represented a 43 per cent premium over the current share price.

Statement, Page 31

## Good prospects for Allied Breweries

WITH THE group's "exceptional" financial strength and modern capacity for production, marketing and retailing, Mr. K. S. Showers, chairman of Allied Breweries, says he is confident it is well prepared to meet the challenges of the current year, and to seize new opportunities as they arise.

However, in 1975-76, much will depend on the success of Government measures to contain inflation and, in the present economic climate, he finds it impossible to forecast the year's outcome.

Describing the obstacles in the way of profit-making as formidable, the chairman points out that, besides the present economic climate, there remains the direct squeeze on profit caused by rapidly rising costs at one end and rigid Government price controls at the other.

The annual report includes a new form of statement showing the wealth created by the group's operations. It reveals that central and local government take 50p in every £1 that customers pay to the group, and that the Government take is more than 25 times that of shareholders.

In the year ended September 27, 1975 profit, before tax, improved from £57,500m. to £60,190m., on a turnover of £7,870m. (£7,870m.). As known the dividend is raised from 5p to 3.801p net.

Mr. Showers explains that, as a result of higher costs and as the improved sales pattern, there has been a big improvement in the profit of the beer and hotels division, despite the constraints of the Price Code and a relatively subdued year for the hotel division. The beer market has been firm, helped by the exceptional summer, and sales would have been higher but for industrial disputes.

Soft drinks and cider also benefited from the good summer.

Meeting London Hilton 1 W, February 19 at noon.

## Yarrow's strong liquidity

ACTIVE CONSIDERATION on a wide basis is being given to the direction in which the Yarrow Group should proceed and several interesting possibilities are under review, says the chairman, Sir Eric Yarrow.

At a time of continuing economic depression, some degree of caution should be exercised but it is hoped that during 1976 some decided changes will be given of possible new activities.

Sir Eric stresses that prospects are enhanced by the strong liquid position and while liquid position and while liquid position will see a change in the group's affairs if the nationalisation of Yarrow (Shipbuilders) takes place, "I am confident that we will continue our successful progress in the years ahead."

The directors will continue to oppose the concept of the nationalisation of this important subsidiary which is making good profits, has a satisfactory order book and enjoys excellent management/labour relations.

They feel strongly that the proposed compensation terms are "grossly unjust" and "fall to reflect its value."

The Government has promised fair compensation and must surely fulfil this promise. The Board will do everything possible during the various stages of the Bill to ensure that a fair price is paid for this highly specialised shipbuilding business.

As reported on January 13 group pre-tax profit for the year to June 30, 1975 was £2,37m. (£2,37m.) and the dividend is 2.7575p (3.5175p) net per 50p share.

Sir Eric refers to negotiations regarding some distribution of Yarrow (Shipbuilders) to Yarrow and Co. and says the two Ministers concerned have stated that they have no objection to a distribution of up to £500,000 being made.

Chairman's Statement Page 3

### FISONS CHANGE

Increasing specialisation in the field of solid/liquid emulsion, together with growth in the chemical and product lines, has led to the adoption of a name, Fisons Separation Products, for the company's part in Fisons Group three years ago.

Healthy Financial Position During the year the total bank overdraft was reduced from £5m. to £2.1m. after allowing for transfer of £1.1m. to medium term loan. The group's financial position remains healthy, our banking facilities satisfactory.

### Future Prospects

Assuming that the U.K. economy remains substantially as it is now, we expect our profit higher in the current year.

For the longer term, our present unused capacity and our continued capital investment should place us in an excellent position to take advantage of the improvement in world trade when it eventually comes.

Year ended 30 September 1975

Group profit before taxation	£280,000
Profit attributable to members of the holding company	2,062
Total ordinary dividend	545
	(15.8918p) (15.928)

Investment in new capital expenditure — 3,838

Turnover — 42,058

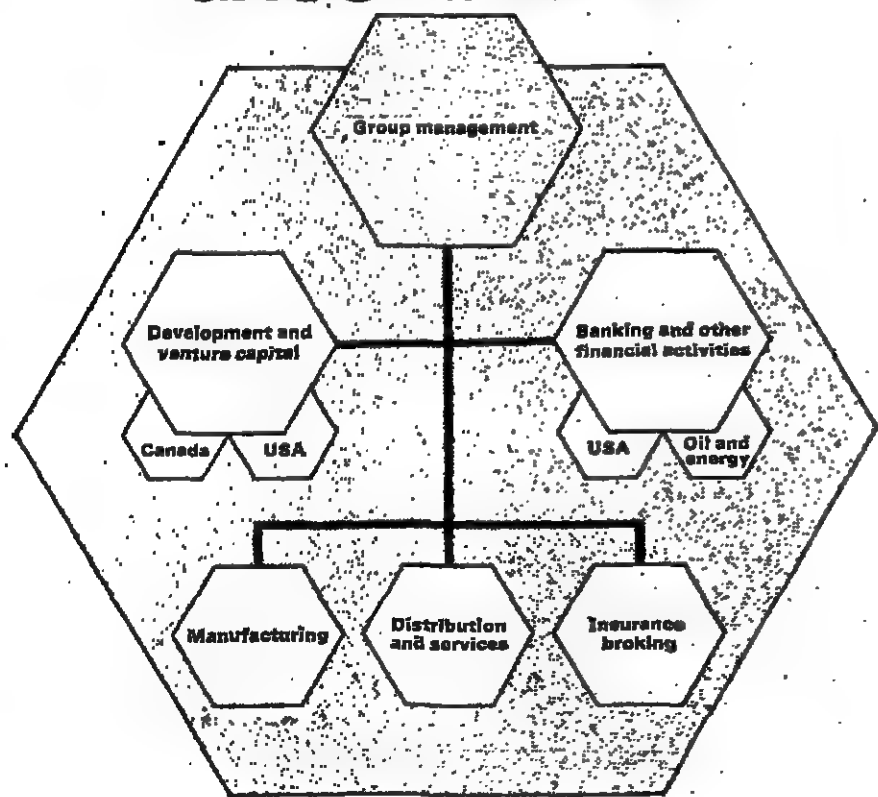
Export sales of the U.K. companies — 14,708

Earnings pence per share — 34.38

\*Net

These extracts are from the 1975 Report and Accounts and Statement by the Chairman Dr. T. Harrington. The full version can be obtained from The Secretary, Castleford, West Yorkshire WF10 1JF.

## THE CHARTERHOUSE GROUP LIMITED



"The benefits of the Group's broad spread of interests were again demonstrated during a difficult year..."

"We have many opportunities in the Group for the expansion of our subsidiaries and for further investment in productive plant. In addition, there are many opportunities for investing in private companies and small public companies which have a vital need for equity capital which they may continue to find difficult in raising."

"The Group, with its merchant banking, development capital and industrial management

skills, provides an almost unique service to small to medium sized businesses, and has an excellent base from which to expand. Charterhouse will take every opportunity to use its available resources to make further profitable investments, either alone or in conjunction with other investors or partners."

J. G. Vaughan, Chairman in his Annual Statement.

Copies of the Annual Report are obtainable from: The Charterhouse Group Limited, 1 Paternoster Row, St. Pauls, London EC4M 4DH. Tel: 01-445 3999.

Turnover	£14m
Capital employed	£77m
Profit before interest	£9.9m
Profit before tax	£5.1m

**CHARTERHOUSE**  
DEVELOPMENT AND VENTURE CAPITAL • BANKING  
INSURANCE BROKING • MANUFACTURING • DISTRIBUTION AND SERVICES

## DEALER SERVICE

Dataquest's Dealer Service now provides all the information on some 200,000 shareholder movements covering 1,500 public companies. That makes our service unique.

The Dealer Service is available to subscribers on data sheets in loose leaf binders or on computer magnetic tape. Information is updated at least once a month.

For further details contact:  
Jordan Dataquest Limited  
Jordan House  
47 Brunswick Place  
London N1 6EE  
Telephone 01-253 3030  
Telex 261010

Jordan's

## Hickson & Welch

### Record profit: current year expected to be higher

In a particularly difficult year for the chemical industry world-wide the group achieved a record pre-tax profit of £4.65m., an increase over last year of 12%.

The year's turnover increased from £36m. to £42m., but the tonnage of goods sold was less than last year. Some of our production capacity was not used at certain times during the year and I estimate that we could have produced an additional 20% by weight of chemicals and 15% of timber preservatives had the demand been there.

The overall improvement in profits from both the Chemicals and Timber products divisions must be regarded as creditable and I believe the performance achieved again emphasises the fact that our spread of business coupled with the specialised nature of many of our products provide us with some protection against the worst effects of an overall trading recession.

Prices Although we have been allowed by the Price Commission to increase a large proportion of our U.K. prices, as far as we are concerned the existence of the Price Commission is becoming academic. We are not the only company with spare capacity and the lower level of economic activity has eliminated most raw material shortages so that competition is once again the deciding factor.

Capital Expenditure In 1975 capital expenditure amounted to £3m. and expenditure approved for new projects on which work will start in 1976 amounts to £3.8m. of which £3.5m. will be spent in the U.K. Expenditure was not curtailed in 1975 and I am confident that we are well-placed to take

advantage of improved trading conditions when they arise.

Healthy Financial Position During the year the total bank overdraft was reduced from £5m. to £2.1m. after allowing for transfer of £1.1m. to medium term loan. The group's financial position remains healthy, our banking facilities satisfactory.

Future Prospects Assuming that the U.K. economy remains substantially as it is now, we expect our profit higher in the current year.

For the longer term, our present unused capacity and our continued capital investment should place us in an excellent position to take advantage of the improvement in world trade when it eventually comes.

Year ended 30 September 1975

Group profit before taxation	£280,000
Profit attributable to members of the holding company	2,062
Total ordinary dividend	545
	(15.8918p) (15.928)

Investment in new capital expenditure — 3,838

Turnover — 42,058

Export sales of the U.K. companies — 14,708

Earnings pence per share — 34.38

\*Net

These extracts are from the 1975 Report and Accounts and Statement by the Chairman Dr. T. Harrington. The full version can be obtained from The Secretary, Castleford, West Yorkshire WF10 1JF.

CHEMICAL MANUFACTURERS HICKSON AND TIMBER PRESERVERS







INTERNATIONAL COMPANY NEWS + EURO MARKETS

Axel Springer revenue up 5% in 1975

BY GUY HAWTIN  
FRANKFURT, Jan. 26.  
AXEL SPRINGER Verlag, West Germany's largest newspaper publishing house, felt the pinch of the recession but appears to have emerged from 1975 relatively unscathed. While advertising revenue fell, price increases and earnings from other business areas offset the decline.  
Herr Peter Tamm, a member of the group's executive Board, said that turnover grew by about 5 per cent. While he did not specify the figure, it would appear to be about DM1.68bn. compared with DM1.6bn. in 1974.  
Last year, he said, was the first time that business earnings equalled those of advertising. The former came from outside printing contracts, from books and other commercial activities.  
Herr Tamm gave no real indication of the size of the group's 1975 profits. He merely indicated that they would cover the considerable investment expenditure that was necessary. Liquidity remained good, he said. In 1974 net profits fell from the previous year's DM29m. to DM10m. despite a small increase in turnover.  
On the newspaper side, performance varied according to the sector. Local, regional and national. Generally there were problems of rising costs and falling advertising revenue. Readership, however, was either stable or increasing, said Herr Tamm.  
Undoubtedly, the best horse in Springer's stable remains the mass-circulation Bild-Zeitung. Bild pushed up its sales by 250,000 copies to bring its daily circulation to 4.2m. This 6.2 per cent. circulation growth, was if anything capped by its Sunday stable mate—Bild am Sonntag—which was one of the few German newspapers not to experience a fall in advertising revenue last year.  
The group's Berlin popular newspaper BZ maintained and consolidated its position as the largest seller in the city. The general interest mass-circulation magazine Hoer Zu—which carries the full weekly television listings—pushed up its circulation by 230,000 to about 4m. sold copies. Herr Tamm also said that the decision to shift the central editorial department of the group's quality daily, Die Welt, from Hamburg to Bonn, with subsidiary centre in Essen, was beginning to pay off. Positive effects had already been noted, particularly on the costs side.  
The circulation, which had been falling, had stabilised and in the last couple of months an upwards trend had been noted. Neither Die Welt nor its sister paper Welt am Sonntag had serious problems, said Herr Tamm.  
A new off-set newspaper printing plant opened in the Ruhr, at a cost of DM70m. had been a complete success. Designed to print a large share of the Bild am Sonntag run, it had contributed considerably to the growth in advertising revenue. It was already operating at full capacity and an extension was planned.  
Competition had been stiff in the letterpress and gravure printing business as a result of over-capacity in the German industry. Promising efforts, however, were being made, for instance in the field of printing contracts from abroad.  
Costs, however, were still an important cause for concern. Wage costs had risen by a third in the past three years, while paper costs had doubled over the same period. Wage and paper costs totalled DM300. Recruitment, however, had been frozen over the past three years without any difficulties occurring and the workforce had remained stable at about 11,000 employees.  
As for the current year, Herr Tamm said that the forecasts of an unswerving should be treated clearly. It should be remembered, he said, that the general election would be held in 1976. It was a year for caution but not one without promise.

European listing proposals submitted

BY DAVID CURRY  
BRUSSELS, Jan. 26.  
PROPOSALS, which represent the first step towards creating a common EEC-wide criteria for the admission of securities to a Stock Exchange quotation have been sent by the Brussels Commission to the Council of Ministers. The proposals set out to introduce some harmonisation of conditions for quotation set out in a list of requirements, to try to ease the present confused situation; individual stock exchanges can lay down severely different and occasionally contradictory requirements. The ultimate goal is a situation whereby companies obtaining a listing on one exchange would be able, with very little additional preparation to be admitted to quotation elsewhere.  
One of the effects of the current proposals will be to tighten up regulations on some of the smaller bourses. But companies meeting the listing requirements of London, Amsterdam or Frankfurt, the three major European exchanges, would have no difficulty in obtaining the proposed conditions.  
The Council already has in front of it a proposal detailing the requirements for the prospectus companies must draw up when they apply for a listing. A third proposal laying down what information a quoted company must provide on a continuous basis is also in preparation. The Commission is working on a proposal to make it easier for brokers and jobbers to work on more than one exchange.

Contrasts in U.S. oil figures

BY JAY PALMER  
NEW YORK, Jan. 26.  
EXXON, the world's largest oil company, this morning posted a near-18 per cent. drop in its fourth quarter 1975 net earnings, leaving its full-year return down about 17 per cent. The oil giant said that its earnings over the last three months were \$633m. or \$4.83 a share while over the 12 months its net return was \$2.5bn. or \$1.15 a share.  
The company is the third of America's largest oil companies to unveil figures over the last few days. Late last week Mobil said that its fourth quarter net rose 41 per cent. to \$202m. (\$1.98 a share) but that despite this advance its annual net earnings were down by 22 per cent. to \$815m. (\$8.00 a share).  
Still earlier Texaco disclosed a 36 per cent. drop in its earnings in the final three months to \$221.9m. Over the full 12 months its net return slumped 46 per cent. to \$850.8m. The company's below average performance stemmed very largely from its need to make provisions for the nationalisation of its Venezuelan interests and against the possibility of the loss of its Angolan stake.  
Exxon, amplifying its bare figures, explained that earnings over the year from world-wide petroleum and gas operations fell 10 per cent. after a matching 10 per cent. rise in the contribution from the domestic U.S. Generally, much sharper falls had been widely forecast for oil companies overseas returns.  
One reason why Exxon did so well—and Texaco by contrast so badly overseas—was the sharply higher contribution coming in from North Sea gas. A further factor in the above average overseas returns of both Exxon and Mobil was the way both companies had a high level of refining flexibility and were in a position to take advantage of the European trend towards higher demand for the more profitable middle and end level of the refining barrel.  
Mobil's poor annual performance masks, to a very large extent, its sharp turn round from the very poor returns unveiled during the first half of the year when it was suffering from long delays in Federal Energy Authority cost pass throughs.  
At the same time, in coming months, Exxon can be expected to continue to show U.S. domestic growth as it benefits from its huge crude oil and gas reserves. Mobil, by contrast, will almost certainly suffer from an absence of such reserves especially when this is coupled with potential refining and marketing problems.

BIS notes Euromark changes

By Mary Campbell  
During the third quarter last year, Italian banks cut net foreign currency borrow by \$1.3bn. The Bank for International Settlements says its quarterly survey of markets. This figure is more than had earlier indicated by changes in Italian banks' net foreign currency borrow. The BIS said that the net foreign currency borrow of Italian banks had moved from net borrow of \$338m. to net lending of \$23m. in the third quarter.  
The overall size of the market, net of double-counting, increased much more than is seasonally usual in the third quarter of last year. BIS says. Adjusted for exchange rate changes, it estimates that the size of the Euromarket rose by over 20 per cent. during the third quarter, compared with the second quarter. The overall size of the Euromarket, net of double-counting, reached \$197bn. at end-September. This compares with \$178bn. at the end of August and \$182bn. at end-1975.  
Preliminary indications that the market continued to grow strongly during the quarter of last year, the BIS says.  
Lending by European banks to non-oil developing countries rose very little during the quarter, as had also been the case earlier in 1975, the BIS says. It puts the increase in the first nine months of 1975 at \$1.5bn. compared with \$1.2bn. in 1974. However, it notes, there was a substantial increase in lending to developing countries by banks in the U.S. estimates say new lending was \$3.7bn. The BIS also says that the market continued to grow during the quarter, slightly more during the quarter, continuing a trend evident during earlier part of the year.  
After allowing for exchange rate changes, the BIS estimates that the market continued to grow during the quarter, slightly more during the quarter, continuing a trend evident during earlier part of the year.  
Banks in Britain account most of the increase in the market business in the third quarter. Both in the third quarter. Both in the third quarter. Both in the third quarter.

Opel poised for breakthrough

BY GUY HAWTIN  
FRANKFURT, Jan. 26.  
ADAM OPEL, General Motors' West German subsidiary, is poised for major success this year after heavy growth in sales, particularly in the last half of 1975.  
Underpinning the concern's optimism is "a sensational increase" in Opel's share of the West German car market towards the end of the year. Mr. J. P. McCormack, managing director of the concern, announced that the December statistics gave Opel the highest registration figures for an individual month of all German car makers.  
In December, 1975, Opel's home registrations totalled 31,503 vehicles—virtually double the 15,576 registered in the same month of the previous year. Its share of the West German car market shot up from 16.4 per cent. at the same point in 1974 to 23.4 per cent. Opel was also market leader in August and November.  
Opel's registrations in 1975 totalled 351,435 cars and estate vehicles. Its average share of the West German car market was 18.9 per cent. —largely the result of a major spurt in sales in the final quarter.  
Mr. McCormack said that the concern's average market share in the first three quarters of the year totalled 16.9 per cent.

Earnings slump at Hoboken

BY DAVID CURRY  
BRUSSELS, Jan. 26.  
The recession in general and a sharp increase in wages in particular have taken a heavy toll of earnings in the Belgian non-ferrous metals smelting group, Hoboken-Overpelt.  
For its 1974-75 financial year, the company reports net profits plunging from Bfrs.629.4m. (€7.8m.) to Bfrs.179.9m. (€2.25m.) on turnover of Bfrs.45.45m. (€5.68m.). Cash-flow is also well down from Bfrs.1.4bn. to Bfrs.978.1m. The company has already announced a cut in the dividend from Bfrs.300 net to Bfrs.110.  
The year's activities (to September 30, 1975) confirmed the gloomy prognostications made by the company in the middle of the previous year. Hoboken notes the steady accumulation of losses by producers and dealers throughout 1975. Problems in Belgium were also aggravated by the "excessive weight" of pay awards. Hoboken points out that the balance sheet shows a higher figure than the previous year for fixed asset sales and draws some comfort from the relative buoyancy of cash-flow.

Loan losses at BankAmerica

FINANCIAL TIMES REPORTER  
BANKAMERICA Corporation reports that net loan losses totalled \$138.7m. in 1975, or 0.45 per cent. of average loans, compared with \$69.5m. or 0.25 per cent. in 1974. During the fourth quarter net loan losses totalled \$57.4m. compared with \$39.2m. for the 1974 quarter.  
During the year, the corporation provided \$174.5m. dollars for possible loan losses against \$105.9m. in 1974 and during the fourth quarter \$63.4m. compared with \$54.2m. in the 1974 quarter.  
The adverse income effect of loans on a non-accrual or token basis, on interest rate basis after taxes was equivalent to about 21 cents a share.  
However, the corporation improved its liquidity. The total loan-deposit ratio at year-end was 57.6 per cent. compared with 55.6 per cent. one year earlier and securities due within one year increased by \$3.2bn. to \$6.7bn. at the year-end.  
President Mr. A. W. Cullen announced that consolidated income before securities transactions for the 13 months ended December 31 rose by 17.5 per cent. to \$301.7m. or \$4.37 a share, from \$258.7m. or \$3.73 a share, in 1974.  
Fourth quarter consolidated income before securities transactions increased by 10.1 per cent. to \$82.8m. or \$1.20 a share, as compared with \$75.4m. or \$1.09 a share, for the corresponding quarter a year ago.  
Total deposits increased by 11.6 per cent. from \$50.7bn. to \$56.5bn.  
Consumer savings totals showed strong growth during the year, rising \$1.6bn. or by 17.8 per cent. to a record level of \$10.6bn. at the year-end. Domestic demand deposits at \$10.5bn. rose 14.2 per cent. while negotiable certificates of deposit increased by \$1.1bn. representing 25.3 per cent. of total domestic time deposits at the year-end.  
Investments in securities stood at \$10.2bn. for an increase of 34.7 per cent. from 1974. The securities portfolio is maintained on an amortised cost basis, with dealer and underwriting positions priced to the current market on a monthly basis with a rapid turnover of inventory emphasised. Holdings of New York City securities amounted to less than 2 per cent. of equity capital while trading and underwriting of government and municipal securities produced a profit of \$4.5m. against a profit of \$2.3m. during 1974.

Petroland consortium funding

BY MICHAEL VAN OS  
AMSTERDAM, Jan. 26.  
THE FRENCH Petroland hydrocarbon exploration and production consortium, which is active in the Dutch sector of the North Sea continental shelf, has signed two agreements with a Dutch banking consortium for two loans totalling up to Fls.125m. and \$25m. respectively.  
Both loans have been arranged by ABN, which acted as agent, together with the Amro subsidiary, National Bank for Middle-East Credit. ABN was not prepared to disclose the conditions for the two loans.  
A spokesman for the Petroland group said in The Hague today that the proceeds of the loans would be used to finance its Dutch North Sea activities. The dollar loan was taken up as the French group was paying dollars for the hiring of the largely U.S. equipment used in the North Sea, where it had a commercial gas find in Block 17. Via the DSM State-owned Dutch chemicals group, the Dutch State had acquired a 40 per cent. interest in the gas find. The gas will be sold to Holland in quantities of about 1.2bn. cubic metres a year for a period of 20 years, the spokesman added.

Losinger sees dividend cut

BY JOHN WICKS  
ZURICH, Jan. 26.  
THE leading Swiss construction concern, Losinger of Berne, expects to have to reduce its dividend payment for 1975, owing to an "only partially satisfactory" year of operations for the year. Although earnings outside Switzerland slightly surpassed expectations for the year, a fall-off in domestic operations led to a 17 per cent. decline in group turnover, taking it below Sw.Fr.500m. The share of foreign business in turnover rose from 22 to some 30 per cent.  
New orders received last year totalled about Sw.Fr.450m., giving orders in hand the relatively high value of Sw.Fr.450m.

Hongkong & Whampoa hoax

BY PHILIP BOWRING  
HONG KONG, Jan. 26.  
IT WAS BACK to gold old boom days on the Hong Kong Stock Market to-day with a bogus press release suggesting that Jardine Matheson was about to make a takeover bid for the Hongkong and Whampoa Dock Company, leading to hectic dealings in the shares of the dock company and its quoted associates. China Provident and City and Urban Properties. Even denials from Jardines did little to dampen the enthusiasm and Dock Company shares slipped only a little from their day's peak to close 55 cents up at \$HK9.50.  
The hoax was well timed, as it followed rumours which have been doing the rounds for more than a week that Jardines or wire might bid for the Dock Company. The shares have been particularly strong in the wake of these rumours.  
On the face of it such a bid looks improbable. For a start, the Dock Company now has a market capitalisation of over HK\$1.2bn. a very large sum even by Swire and Jardine standards. Its yield is low and its property potential will take several years to realise. Secondly, and perhaps most importantly, Jardines International has a very large minority stake in the dock company—42 per cent. at the end of last March, but believed considerably smaller now. The chances of HIL disposing voluntarily with its largest single asset is remote, unless the price was very high.  
It is possible that HIL itself has been in the market recently to increase its own stake to an unassailable proportion.

More banks to trade offshore in Bahrain

BAHRAIN, Jan. 26.  
TWELVE MORE banks granted licences to run offshore banking operations in Bahrain, bringing the number of offshore operators here to 12. Alan Moore, director general of the Bahrain Monetary Authority, said yesterday.  
The new banks include Hong Kong and Shanghai, Land, and Chartered.  
After the first group of 12 were granted in November, banks were banking the excess of \$1.5bn. by the end of the year. Moore stated, at he hoped the market would handle \$10bn. by end-1976.  
Reuter

Plessey third quarter and nine months results

The Plessey Company's unaudited consolidated results for the third quarter and nine months to 31 December 1975 are as follows (with the previous year's results for the equivalent quarter and nine months by way of comparison; the nine months to 31 December 1974 adjusted consequent upon the recent financial year-end change):

Figures in £000's	3 months to 31 Dec 1975	3 months to 31 Dec 1974	9 months to 31 Dec 1975	9 months to 31 Dec 1974 (adjusted)
Sales	124,400	108,200	344,000	317,000
Profit on Trading	12,678	13,913	37,801	41,435
Depreciation	3,749	3,444	11,089	10,374
Operating Profit	8,929	10,469	26,712	31,061
Associated Companies	1,851	1,337	4,092	3,795
Interest Receivable	128	148	422	518
Less: Interest Payable	10,708	11,954	31,226	35,732
Redundancy Cost	1,739	1,846	5,005	5,050
Profit before Taxation	8,013	9,560	25,624	30,777
Taxation	3,900	4,500	11,900	13,900
Profit after Taxation	4,113	5,160	13,724	16,877
Minority Interests	210	241	727	460
Earnings attributable to Shareholders of The Plessey Company Limited (i.e. before extraordinary items)	3,903	4,919	12,997	16,417
Earnings per share (in pence)	2.08	2.63	6.62	8.45

In spite of the continuing effect of worldwide recession, counter-inflationary measures, and public expenditure cuts, the Company's operating results for the three months ended December 31, 1975 show virtually no change in the trend reported for the previous six months.  
Sales, by value, show an increase in both the quarter and the nine months period, but this represents a decrease in volume. The resulting lower output, combined with higher cost levels, has had the inevitable effect of keeping operating profit margins at the reduced level.  
The Company's pattern of trading and profits has not materially altered in the third quarter. Therefore, the analysis of sales and profits by products for the six months ended September 30, 1975, as published in the recent Rights Issue Prospectus, still applies.  
Profits before and after taxation have been additionally affected by redundancy costs which were significantly higher in the third quarter.  
Dividend  
In line with the new pattern of dividend payments, the Board is declaring a second interim dividend which will be paid on July 1, 1976. The following payment date will be January 1, 1977. The amount will be based on the Board's recommendation to shareholders in respect of the final dividend for the year ending March 31, 1976.  
The second interim dividend of 2.0 pence per share will be paid on July 1, 1976 to shareholders whose names are recorded in the Register at close of business on May 21, 1976. This will include the 47 million shares issued under the recent Rights Issue.

Baloise shows premium income growth

BY JOHN WICKS  
ZURICH, January 26.  
CONSOLIDATED premium income of the Baloise Insurance Group, of Basle, is up for 1975 by some 5 per cent. on the previous year's level of Sw.Fr.1.13 bn. The increase has been only slightly reduced by exchange rate alterations. All subsidiaries are expected to pay an unchanged dividend, and the parent company anticipates that in its current business year (1975/76) profits similar to those for 1974/75 will be earned. An unchanged dividend should also be paid.

Toyo Kogyo output plan

TOKYO, Jan. 26.  
TOYO KOGYO COMPANY plans to turn out 700,000 vehicles this year of which 400,000 will be exported, company president Kohji Matsuda said.  
The scheduled output for 1976, 8 per cent. more than the 643,000 assembled last year, will comprise 450,000 cars and 250,000 trucks and other types of vehicles, he told a Press Conference.  
Targeted exports are about 15 per cent. ahead of last year's level, he said. About 150,000 cars more than 11 per cent. of total output will be exported to the U.S. where inventory adjustment has been progressing well.  
Mr. Matsuda also said that the company's sales in Japan are expected to fall to about 300,000, down 6 per cent. from last year. Reflecting still-heavy domestic stocks totalling nearly 100,000. Meanwhile, Toyo Kogyo introduced two new car models—Familia Presto and Grand Familia—powered by a 1300-cc engine which meets rigid 1976 Japanese emission control standards. Sales will begin in Japan next month.  
On the face of it such a bid looks improbable. For a start, the Dock Company now has a market capitalisation of over HK\$1.2bn. a very large sum even by Swire and Jardine standards. Its yield is low and its property potential will take several years to realise. Secondly, and perhaps most importantly, Jardines International has a very large minority stake in the dock company—42 per cent. at the end of last March, but believed considerably smaller now. The chances of HIL disposing voluntarily with its largest single asset is remote, unless the price was very high.  
It is possible that HIL itself has been in the market recently to increase its own stake to an unassailable proportion.

Nippon Light Metal workforce cuts

TOKYO, Jan. 26.  
NIPPON LIGHT METAL Co. has announced plans to cut the workforce at four companies in its group, including Nippon Light Metal itself. A total of 1,100 men more than 11 per cent. of the workforce, will leave over the next two years as a step to side the company over the current slump, it said.  
Nippon Light Metal, Japan's biggest aluminium smelter, said the plans have been presented to the labour unions at the four companies and the reduction will come from voluntary retiree-ment and transfers to affiliates in the group other than the four companies.  
Nippon Light Metal said that the surplus 1,100 persons include 300 administration officials.  
The company said that its management told unions concerned that there will be no wage increases, no bonus payments and no rise in various allowances this year.  
Nippon Light Metal group employs 9,700.  
Reuter

International Income Fund

Notice of Change of Administrative Agent  
Midland Bank Trust Company (Channel Islands) Limited, Jersey, as Trustee of the above mentioned fund has declared a dividend of U.S. \$2.00 per Unit for the financial year ended 31st December 1975, payable on the 16th February 1976, in respect of all Units in issue on the 31st December 1975. Unitholders should send their certificates, together with all coupons and talons (if any) attached thereto, to the Trustee at 2, Hill Street, St. Helier, Jersey, Channel Islands. The Trustee will issue new certificates with coupons and talons attached in exchange for the certificates received and will then detach the first coupon and pay to the Unitholder the amount of the dividend due in respect of his Units. Unitholders must advise the Trustee of an address to which the new certificates and cheque in payment of the dividend should be sent.  
S. G. Elston J. Rust  
Midland Bank Trust Company (Channel Islands) Limited  
2, Hill Street, St. Helier, Jersey, C.I.  
Telephone: 23391  
Telex: 41353  
Dated: 27th January, 1976

Notice of Dividend Payment and Exchange of Certificates

Midland Bank Trust Company (Channel Islands) Limited as Trustee of the above mentioned fund has declared a dividend of U.S. \$2.00 per Unit for the financial year ended 31st December 1975, payable on the 16th February 1976, in respect of all Units in issue on the 31st December 1975. Unitholders should send their certificates, together with all coupons and talons (if any) attached thereto, to the Trustee at 2, Hill Street, St. Helier, Jersey, Channel Islands. The Trustee will issue new certificates with coupons and talons attached in exchange for the certificates received and will then detach the first coupon and pay to the Unitholder the amount of the dividend due in respect of his Units. Unitholders must advise the Trustee of an address to which the new certificates and cheque in payment of the dividend should be sent.  
S. G. Elston J. Rust  
Midland Bank Trust Company (Channel Islands) Limited  
2, Hill Street, St. Helier, Jersey, C.I.  
Telephone: 23391  
Telex: 41353  
Dated: 27th January, 1976

International Income Fund (IIF)

Administrative Agent:  
European Banking Company Limited  
Trustees:  
Midland Bank Trust Company (Channel Islands) Limited

**PLESSEY**  
OPERATING INTERNATIONALLY IN 136 COUNTRIES

SELECTED EURODOLLAR BOND PRICES					
MID-DAY INDICATIONS					
STRAIGHTS	Mid	Offer	NOTES	Mid	Offer
Ambiente 10pc 1985	92	93	Air France 5pc 1982	101.1	102.2
Ambiente 10pc 1987	92	94	Air France 5pc 1985	101.1	102.2
Ambiente 10pc 1989	92	94	Air France 5pc 1988	101.1	102.2
Ambiente 10pc 1991	92	94	Air France 5pc 1991	101.1	102.2
Ambiente 10pc 1993	92	94	Air France 5pc 1994	101.1	102.2
Ambiente 10pc 1995	92	94	Air France 5pc 1997	101.1	102.2
Ambiente 10pc 1998	92	94	Air France 5pc 2000	101.1	102.2
Ambiente 10pc 2001	92	94	Air France 5pc 2004	101.1	102.2
Ambiente 10pc 2007	92	94	Air France 5pc 2010	101.1	102.2
Ambiente 10pc 2013	92	94	Air France 5pc 2016	101.1	102.2
Ambiente 10pc 2019	92	94	Air France 5pc 2022	101.1	102.2
Ambiente 10pc 2025	92	94	Air France 5pc 2031	101.1	102.2
Ambiente 10pc 2031	92	94	Air France 5pc 2040	101.1	102.2
Ambiente 10pc 2037	92	94	Air France 5pc 2049	101.1	102.2
Ambiente 10pc 2043	92	94	Air France 5pc 2058	101.1	102.2
Ambiente 10pc 2049	92	94	Air France 5pc 2067	101.1	102.2
Ambiente 10pc 2055	92	94	Air France 5pc 2076	101.1	102.2
Ambiente 10pc 2061	92	94	Air France 5pc 2085	101.1	102.2
Ambiente 10pc 2067	92	94	Air France 5pc 2094	101.1	102.2
Ambiente 10pc 2073	92	94	Air France 5pc 2103	101.1	102.2
Ambiente 10pc 2079	92	94	Air France 5pc 2112	101.1	102.2
Ambiente 10pc 2085	92	94	Air France 5pc 2121	101.1	102.2
Ambiente 10pc 2091	92	94	Air France 5pc 2130	101.1	102.2
Ambiente 10pc 2097	92	94	Air France 5pc 2139	101.1	102.2
Ambiente 10pc 2103	92	94	Air France 5pc 2148	101.1	102.2
Ambiente 10pc 2109	92	94	Air France 5pc 2157	101.1	102.2
Ambiente 10pc 2115	92	94	Air France 5pc 2166	101.1	102.2
Ambiente 10pc 2121	92	94	Air France 5pc 2175	101.1	102.2
Ambiente 10pc 2127	92	94	Air France 5pc 2184	101.1	102.2
Ambiente 10pc 2133	92	94	Air France 5pc 2193	101.1	102.2
Ambiente 10pc 2139	92	94	Air France 5pc 2202	101.1	102.2
Ambiente 10pc 2145	92	94	Air France 5pc 2211	101.1	102.2
Ambiente 10pc 2151	92	94	Air France 5pc 2220	101.1	102.2
Ambiente 10pc 2157	92	94	Air France 5pc 2229	101.1	102.2
Ambiente 10pc 2163	92	94	Air France 5pc 2238	101.1	102.2
Ambiente 10pc 2169	92	94	Air France 5pc 2247	101.1	102.2
Ambiente 10pc 2175	92	94	Air France 5pc 2256	101.1	102.2
Ambiente 10pc 2181	92	94	Air France 5pc 2265	101.1	102.2
Ambiente 10pc 2187	92	94	Air France 5pc 2274	101.1	102.2
Ambiente 10pc 2193	92	94	Air France 5pc 2283	101.1	102.2
Ambiente 10pc 2199	92	94	Air France 5pc 2292	101.1	102.2
Ambiente 10pc 2205	92	94	Air France 5pc 2301	101.1	102.2
Ambiente 10pc 2211	92	94	Air France 5pc 2310	101.1	102.2
Ambiente 10pc 2217	92	94	Air France 5pc 2319	101.1	102.2
Ambiente 10pc 2223	92	94	Air France 5pc 2328	101.1	102.2
Ambiente 10pc 2229	92	94	Air France 5pc 2337	101.1	102.2
Ambiente 10pc 2235	92	94	Air France 5pc 2346	101.1	102.2
Ambiente 10pc 2241	92	94	Air France 5pc 2355	101.1	102.2
Ambiente 10pc 2247	92	94	Air France 5pc 2364	101.1	102.2
Ambiente 10pc 2253	92	94	Air France 5pc 2373	101.1	102.2
Ambiente 10pc 2259	92	94	Air France 5pc 2382	101.1	102.2
Ambiente 10pc 2265	92	94	Air France 5pc 2391	101.1	102.2
Ambiente 10pc 2271	92	94	Air France 5pc 2400	101.1	102.2
Ambiente 10pc 2277	92	94	Air France 5pc 2409	101.1	102.2
Ambiente 10pc 2283	92	94	Air France 5pc 2418	101.1	102.2
Ambiente 10pc 2289	92	94	Air France 5pc 2427	101.1	102.2
Ambiente 10pc 2295	92	94	Air France 5pc 2436	101.1	102.2
Ambiente 10pc 2301	92	94	Air France 5pc 2445	101.1	102.2
Ambiente 10pc 2307	92	94	Air France 5pc 2454	101.1	102.2
Ambiente 10pc 2313	92	94	Air France 5pc 2463	101.1	102.2
Ambiente 10pc 2319	92	94	Air France 5pc 2472	101.1	102.2
Ambiente 10pc 2325	92	94	Air France 5pc 2481	101.1	102.2
Ambiente 10pc 2331	92	94	Air France 5pc 2490	101.1	102.2
Ambiente 10pc 2337	92	94	Air France 5pc 2499	101.1	102.2
Ambiente 10pc 2343	92	94	Air France 5pc 2508	101.1	102.2
Ambiente 10pc 2349	92	94	Air France 5pc 2517	101.1	102.2
Ambiente 10pc 2355	92	94	Air France 5pc 2526	101.1	102.2
Ambiente 10pc 2361	92	94	Air France 5pc 2535	101.1	102.2
Ambiente 10pc 2367	92	94	Air France 5pc 2544	101.1	102.2
Ambiente 10pc 2373	92	94	Air France 5pc 2553	101.1	102.2
Ambiente 10pc 2379	92	94	Air France 5pc 2562	101.1	102.2
Ambiente 10pc 2385	92	94	Air France 5pc 2571	101.1	102.2
Ambiente 10pc 2391	92	94	Air France 5pc 2580	101.1	102.2
Ambiente 10pc 2397	92	94	Air France 5pc 2589	101.1	102.2
Ambiente 10pc 2403	92	94	Air France 5pc 2598	101.1	102.2
Ambiente 10pc 2409	92	94	Air France 5pc 2607	101.1	102.2
Ambiente 10pc 2415	92	94	Air France 5pc 2616	101.1	102.2
Ambiente 10pc 2421	92	94	Air France 5pc 2625	101.1	102.2
Ambiente 10pc 2427	92	94	Air France 5pc 2634	101.1	102.2
Ambiente 10pc 2433	92	94	Air France 5pc 2643	101.1	102.2
Ambiente 10pc 2439	92	94	Air France 5pc 2652	101.1	102.2
Ambiente 10pc 2445	92	94	Air France 5pc 2661	101.1	102.2
Ambiente 10pc 2451	92	94	Air France 5pc 2670	101.1	102.2
Ambiente 10pc 2457	92	94	Air France 5pc 2679	101.1	102.2
Ambiente 10pc 2463	92	94	Air France 5pc 2688	101.1	102.2
Ambiente 10pc 2469	92	94	Air France 5pc 2697	101.1	102.2
Ambiente 10pc 2475	92	94	Air France 5pc 2706	101.1	102.2
Ambiente 10pc 2481	92	94	Air France 5pc 2715	101.1	102.2
Ambiente 10pc 2487	92	94	Air France 5pc 2724	101.1	102.2
Ambiente 10pc 2493	92	94	Air France 5pc 2733	101.1	102.2
Ambiente 10pc 2499	92	94	Air France 5pc 2742	101.1	102.2
Ambiente 10pc 2505	92	94	Air France 5pc 2751	101.1	102.2
Ambiente 10pc 2511	92	94	Air France 5pc 2760	101.1	102.2
Ambiente 10pc 2517	92	94	Air France 5pc 2769	101.1	102.2
Ambiente 10pc 2523	92	94	Air France 5pc 2778	101.1	102.2
Ambiente 10pc 2529	92	94	Air France 5pc 2787	101.1	102.2
Ambiente 10pc 2535	92	94	Air France 5pc 2796	101.1	102.2
Ambiente 10pc 2541	92	94	Air France 5pc 2805	101.1	102.2
Ambiente 10pc 2547	92	94	Air France 5pc 2814	101.1	102.2
Ambiente 10pc 2553	92	94	Air France 5pc 2823	101.1	102.2
Ambiente 10pc 2559	92	94	Air France 5pc 2832	101.1	102.2
Ambiente 10pc 2565	92	94	Air France 5pc 2841	101.1	102.2
Ambiente 10pc 2571	92	94	Air France 5pc 2850	101.1	102.2
Ambiente 10pc 2577	92	94	Air France 5pc 2859	101.1	102.2
Ambiente 10pc 2583	92	94	Air France 5pc 2868	101.1	102.2
Ambiente 10pc 2589	92	94	Air France 5pc 2877	101.1	102.2
Ambiente 10pc 2595	92	94	Air France 5pc 2886	101.1	102.2
Ambiente 10pc 2601	92	94	Air France 5pc 2895	101.1	102.2
Ambiente 10pc 2607	92	94	Air France 5pc 2904	101.1	102.2
Ambiente 10pc 2613	92	94	Air France 5pc 2913	101.1	102.2
Ambiente 10pc 2619	92	94	Air France 5pc 2922	101.1	102.2
Ambiente 10pc 2625	92	94	Air France 5pc 2931	101.1	102.2
Ambiente 10pc 2631	92	94	Air France 5pc 2940	101.1	102.2
Ambiente 10pc 2637	92	94	Air France 5pc 2949	101.1	102.2
Ambiente 10pc 2643	92	94	Air France 5pc 2958	101.1	102.2
Ambiente 10pc 2649	92	94	Air France 5pc 2967	101.1	102.2
Ambiente 10pc 2655	92	94	Air France 5pc 2976	101.1	102.2
Ambiente 10pc 2661	92	94	Air France 5pc 2985	101.1	102.2
Ambiente 10pc 2667	92	94	Air France 5pc 2994	101.1	102.2
Ambiente 10pc 2673	92	94	Air France 5pc 3003	101.1	102.2
Ambiente 10pc 2679	92	94	Air France 5pc 3012	101.1	102.2
Ambiente 10pc 2685	92	94	Air France 5pc 3021	101.1	102.2
Ambiente 10pc 2691	92	94	Air France 5pc 3030	101.1	102.2
Ambiente 10pc 2697	92	94	Air France 5pc 3039	101.1	102.2
Ambiente 10pc 2703	92	94	Air France 5pc 3048	101.1	102.2
Ambiente 10pc 2709	92	94	Air France 5pc 3057	101.1	102.2
Ambiente 10pc 2715	92	94	Air France 5pc 3066	101.1	102.2
Ambiente 10pc 2721	92	94	Air France 5pc 3075	101.1	102.2
Ambiente 10pc 2727	92	94	Air France 5pc 3084	101.1	102.2
Ambiente 10pc 2733	92	94	Air France 5pc 3093	101.1	102.2
Ambiente 10pc 2739	92	94	Air France 5pc 3102	101.1	102.2
Ambiente 10pc 2745	92	94	Air France 5pc 3111	101.1	102.2
Ambiente 10pc 2751	92	94	Air France 5pc 3120	101.1	102.2
Ambiente 10pc 2757	92	94	Air France 5pc 3129	101.1	102.2
Ambiente 10pc 2763	92	94	Air France 5pc 3138	101.1	102.2
Ambiente 10pc 2769	92	94	Air France 5pc 3147	101.1	102.2
Ambiente 10pc 2775	92	94	Air France 5pc 3156	101.1	102.2
Ambiente 10pc 2781	92	94	Air France 5pc 3165	101.1	102.2
Ambiente 10pc 2787	92	94	Air France 5pc 3174	101.1	102.2
Ambiente 10pc 2793	92	94	Air France 5pc 3183	101.1	102.2
Ambiente 10pc 2799	92	94	Air France 5pc 3192	101.1	102.2
Ambiente 10pc 2805	92	94	Air France 5pc 3201	101.1	102.2
Ambiente 10pc 2811	92	94	Air France 5pc 3210	101.1	102.2
Ambiente 10pc 2817	92	94	Air France 5pc 3219	101.1	102.2
Ambiente 10pc 2823	92	94	Air France 5pc 3228	101.1	102.2
Ambiente 10pc 2829	92	94	Air France 5pc 3237	101.1	102.2
Ambiente 10pc 2835	92	94	Air France 5pc 3246	101.1	102.2
Ambiente 10pc 2841	92	94	Air France 5pc 3255	101.1	102.2
Ambiente 10pc 2847	92	94	Air France 5pc 3264	101.1	102.2
Ambiente 10pc 2853	92	94	Air France 5pc 3273	101.1	102.2
Ambiente 10pc 2859	92	94	Air France 5pc 3282	101.1	102.2
Ambiente 10pc 2865	92	94	Air France 5pc 3291	101.1	102.2
Ambiente 10pc 2871	92	94	Air France 5pc 3300	101.1	102.2
Ambiente 10pc 2877	92	94	Air France 5pc 3309	101.1	102.2
Ambiente 10pc 2883	92	94	Air France 5pc 3318	101.1	102.2
Ambiente 10pc 2889	92	94	Air France 5pc 3327	101.1	102.2
Ambiente 10pc 2895	92	94	Air France 5pc 3336	101.1	102.2
Ambiente 10pc 2901	92	94	Air France 5pc 3345	101.1	102.2
Ambiente 10pc 2907	92	94	Air France 5pc 3354	101.1	102.2
Ambiente 10pc 2913	92	94	Air France 5pc 3363	101.1	102.2
Ambiente 10pc 2919	92	94	Air France 5pc 3372	101.1	102.2
Ambiente 10pc 2925	92	94	Air France 5pc 3381	101.1	102.2
Ambiente 10pc 2931	92	94	Air France 5pc 3390	101.1	102.2
Ambiente 10pc 2937	92	94	Air France 5pc 3399	101.1	102.2
Ambiente 10pc 2943	92	94	Air France 5pc 3408	101.1	102.2
Ambiente 10pc 2949	92	94	Air France 5pc 3417	101.1	102.2
Ambiente 10pc 2955	92	94	Air France 5pc 3426	101.1	102.2
Ambiente 10pc 2961	92	94	Air France 5pc 3435	101.1	102.2
Ambiente 10pc 2967	92	94	Air France 5pc 3444	101.1	102.2
Ambiente 10pc 2973	92	94	Air France 5pc 3453	101.1	102.2
Ambiente 10pc 2979	92	94	Air France 5pc 3462	101.1	102.2
Ambiente 10pc 2985	92	94	Air France 5pc 3471	101.1	102.2
Ambiente 10pc 2991	92	94	Air France 5pc 3480	101.1	102.2
Ambiente 10pc 2997	92	94	Air France 5pc 3489	101.1	102.2
Ambiente 10pc 3003	92	94	Air France 5pc 3498	101.1	102.2
Ambiente 10pc 3009	92	94	Air France 5pc 3507	101.1	102.2
Ambiente 10pc 3015	92	94	Air France 5pc 3516	101.1	102.2
Ambiente 10pc 3021	92	94	Air France 5pc 3525	101.1	102.2
A					



# FINANCIAL TIMES SURVEY

Tuesday January 27 1976

## INTERNATIONAL TRADE FAIRS

Trade fairs have become an essential to the sales strategy of many companies, rather than an optional extra, as the world recession has forced them into wider markets to keep plant at or near optimum capacity.

RECESSION which industries are still struggling now off has, inevitably, that exporters have had to sharply reduce their power and the curtail of industrial investment—businessmen to look for outlets to their plants operating at full capacity.

result is that for more companies exports have become an essential part of their sales strategy longer the optional extra, has certainly been reflected in the number of international fairs, most of which have as well, if not better, than before.

the same time exhibitors coming more selective in choice of suitable show for their products, though is still room for improvement on this score. Over the year or so they have to concentrate on the specialised fairs where is a greater chance of finding potential customers in particular field.

indication of the greater being made to capture markets is the 16 per cent rise to 8,197 in the number of international companies which visited in 1975 in conjunction with the British Overseas Trade (BOTB). There was also a rise to 350 in the number of fairs attended.

British companies participating in fairs, the backing of BOTB is financially attractive. A lot of necessary administrative is done for exhibitors by

the BOTB working in conjunction with the relevant trade association, chamber of commerce or similar organisations. The selection of the fairs attended under the auspices of the BOTB is in itself a valuable service in that it pinpoints potential markets. A good example was the Tehran Fair last year which proved to be a major success, both in terms of the British turnover and the business generated. Iran is said by the Department of Industry to be the fastest developing Middle East market for British exports. More than 200 companies attended, compared with only 33 in the previous year.

Looking to the year ahead the BOTB has picked out Iran as a new market offering good potential and will be organising British representation at the Baghdad Fair in October, for the first time in many years. It will also be staging a British exhibition at the Cairo Fair now that companies are showing more interest in the Egyptian market. British companies attended last year but not under BOTB schemes.

### Circuit

But these are essentially new events on the international trade fair circuit. And while the BOTB, trade associations and individual companies are continually seeking out and evaluating new venues in growing markets, the more established fairs remain an important market place. Apart from Tehran, the main British successes last year were the International Exhibition of Textile Machinery held in Milan, the ANUGA foods fair

(held every two years) in Cologne and the Poznan Fair. Trade fairs fall roughly into three categories—the 'truly international' fair catering simultaneously for several markets, those aimed at a particular export market but perhaps stimulating a degree of two-way trade, and those which are national exhibitions staged in markets (usually developing countries) where no inter-

national fair as such is held. There are obvious variations on all three. The Canton Fair is in a class of its own. It is aimed at foreign buyers since it sells goods out of China.

Fairs staged in Western Europe are in the first category. They are rarely aimed at the domestic market, rather participation is geared at attracting international buyers. And because they are staged primarily for trade buyers—Motor Shows, Boat Shows, Ideal Home and DIY exhibitions aside—the general public is either totally excluded or limited to particular days. Even so events such as the Hanover Fair still manage to attract a big public following, becoming a major tourist attraction in the process.

The European fair calendar is a very full one—some would say too full. Virtually every

country boasts at least one exhibition centre of international standards. In France apart from the Porte de Versailles is taking over from the older CNIT building, in Belgium it is the Palais de Centenaire in Brussels, while the Netherlands has two main centres—the RAI Exhibition Centre at Amsterdam and the Royal Netherlands Industries Fairground at Utrecht. Italy as

well as Milan, Bologna and the new Genoa fair complex while the major agricultural and earth moving equipment fairs are held at Verona. Switzerland too stages several international fairs, mainly at its Basle and Geneva sites.

More recently Scandinavia has been stepping up its involvement in trade fairs, acquiring in the process a reputation which now threatens that of West Germany, usually reckoned to be the most efficient organisers. A new exhibition centre has been opened in Helsinki, another at the Bella centre in Stockholm to add to the other centres at Gothenburg, Copenhagen and Oslo.

Britain has always lacked an exhibition hall of European standards. But now that the Birmingham exhibition centre has been opened it can more than compete.

Despite this exhaustive list of venues, one country stands alongside consumer goods. Because of this wide scope some exhibitors would agree have been split into two fairs. As far as foreign participants are concerned, the East Bloc fairs are primarily for selling to the host countries, though they are also useful for making contacts for two-way trade. The Soviets, however, have developed this a stage further.

Relatively new entrants to the trade fair circuit—the first was staged in 1965—they are keen to emphasise that the fairs also give them a chance to exhibit their own products and attract overseas buyers. And it is at these fairs that Soviet manufacturers have the best opportunity of selling to their own industry.

East European fairs are rather different. These are aimed at a specific market and those such as the Leipzig Fair in East Germany, usually provide the best, if not the sole, means of reaching both those responsible for purchasing goods and equipment in these countries and the technicians or others who use them.

Unlike the West European fairs they are open to the general public. In fact, several of the large fairs such as Brno, Bucharest and Budapest are classified as general fairs but have specialised sectors so that

industrial equipment is shown alongside consumer goods. Because of this wide scope some exhibitors would agree have been split into two fairs. As far as foreign participants are concerned, the East Bloc fairs are primarily for selling to the host countries, though they are also useful for making contacts for two-way trade. The Soviets, however, have developed this a stage further.

Going still further afield the BOTB organises British stands at North American and Latin American fairs. During the first four months of this year more than 270 companies will be exhibiting in 19 joint ventures at trade fairs in the U.S. and Canada. Chicago and New York are perhaps the main U.S. centres, though Houston is the venue of the all-important Offshore Technology Conference and Exposition. It was also the venue last year of another major fair for British industry, the International Gas Turbine Conference and Products Show, a travelling fair which this year will be held at New Orleans.

Trade fairs are, in fact, big business throughout the U.S. Inter-City competition is keen. With the exception of County fairs, such as the motor shows, they are highly specialised, very sophisticated and—bearing in mind the size of the market and the cost of covering it by a sales force—provide a good way of reaching specific U.S. buyers. The BOTB also attends a dozen or so fairs each year in Canada, where the main event for British participants is the National Industrial Production and Machine Tool Show in Toronto—as its name implies a fairly general fair within an industrial context.

In Latin America Sao Paulo is replacing Lima in Peru as a fair centre with the opening of the new Brazilian exhibition complex there. Last year the BOTB also attended a dozen or so fairs each year in Canada, where the main event for British participants is the National Industrial Production and Machine Tool Show in Toronto—as its name implies a fairly general fair within an industrial context.

Some countries have no international fairs of their own—beyond local events which may be attended by agents of foreign companies. Britain, like any other country, will then stage its own national exhibition if it believes there is a potential market. This is especially true of developing countries such as in Asia and Africa, though Nigeria does have ambitions for running its own international centre at some stage.

One example was the Machine Tools and Scientific Instruments Exhibition held in Shanghai last year after a similar event staged previously in Peking—where several successful British exhibitions have been held. In the current year the major event will be the British Technology for Malaysia Exhibition at Kuala Lumpur in April, similar to ones held in Hong Kong and Singapore.

A quite different development in this category, however, was the opening in 1973 of the British Export Marketing Centre in Tokyo. It was established because the fairs programme in Japan offered limited opportunity for promoting British products suitable for the market. It is a private exhibition and a marketing centre where up to 10 official export promotions and exhibitions are held each year. In addition, the centre is

Continued on next page

## Growing role in exports

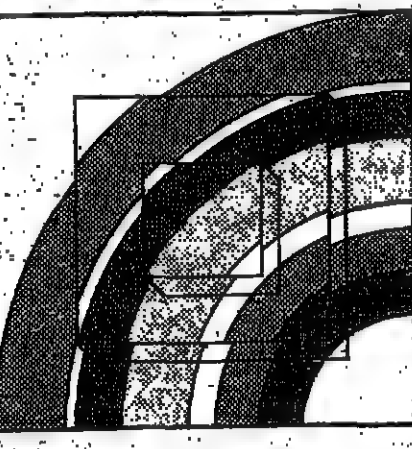
By Margaret Hughes

## Milan Trade Fair

10 DAYS OF GENERAL TRADE FAIR  
306 DAYS OF SPECIALISED TRADE SHOWS  
OVER 31,000 EXHIBITORS  
FROM 90 COUNTRIES

Plan a visit to Milan Trade Fair to be held 14 to 23 April 1976 and another to the trade show that specialises in your line of business.

8th EUROTRICOT—European Hosiery & Knitwear Salon	Jan. 6-9
8th MIPEL—Italian Leather Goods Market (International Salon)	Jan. 9-13
14th International Toy Show	Jan. 29-Feb. 3
SMART 76—International Stationery Salon for Paper, Paper & Cardboard Products, Educational Supplies	Jan. 30-Feb. 3
CHI-EI-CAR 76—International Exhibition of Gift Articles, Fancy Goods, Bijouterie & Smokers' Requisites	Jan. 30-Feb. 3
INTEL 76—2nd Electrical Technology Exhibition	Feb. 7-11
SPRING MACEF 76—International Exhibition of Household Goods, Glass & Chinaware, Silverware, Gift Articles	Feb. 12-16
IPACK-IMA—International Exhibition of Packing & Wrapping, Internal Factory Conveyor Transport & Food Industry Machinery	Feb. 16-22
17th International Exhibition-Conference: Heating, Air-conditioning, Refrigeration & Sanitary Installations—Ceramic-glazed Tiles Salon	March 1-7
2nd EUROCUICINA—Biennial International Exhibition of Kitchen Furniture	March 6-9
GRAFITALIA 76—2nd National Exhibition of Machinery & Materials for the Printing, Paper-making and Paper-processing Industries	March 8-14
MIAS 76—International Market for Sporting and Camping Equipment	March 13-16
EUROZOO—International Exhibition of Domestic Animals, Pets & Accessory Products	March 13-21
LAVASTIR—3rd International Exhibition of Machines, Installations & Equipment for Laundering, Dry Cleaning, Ironing and Dyeing	March 19-22



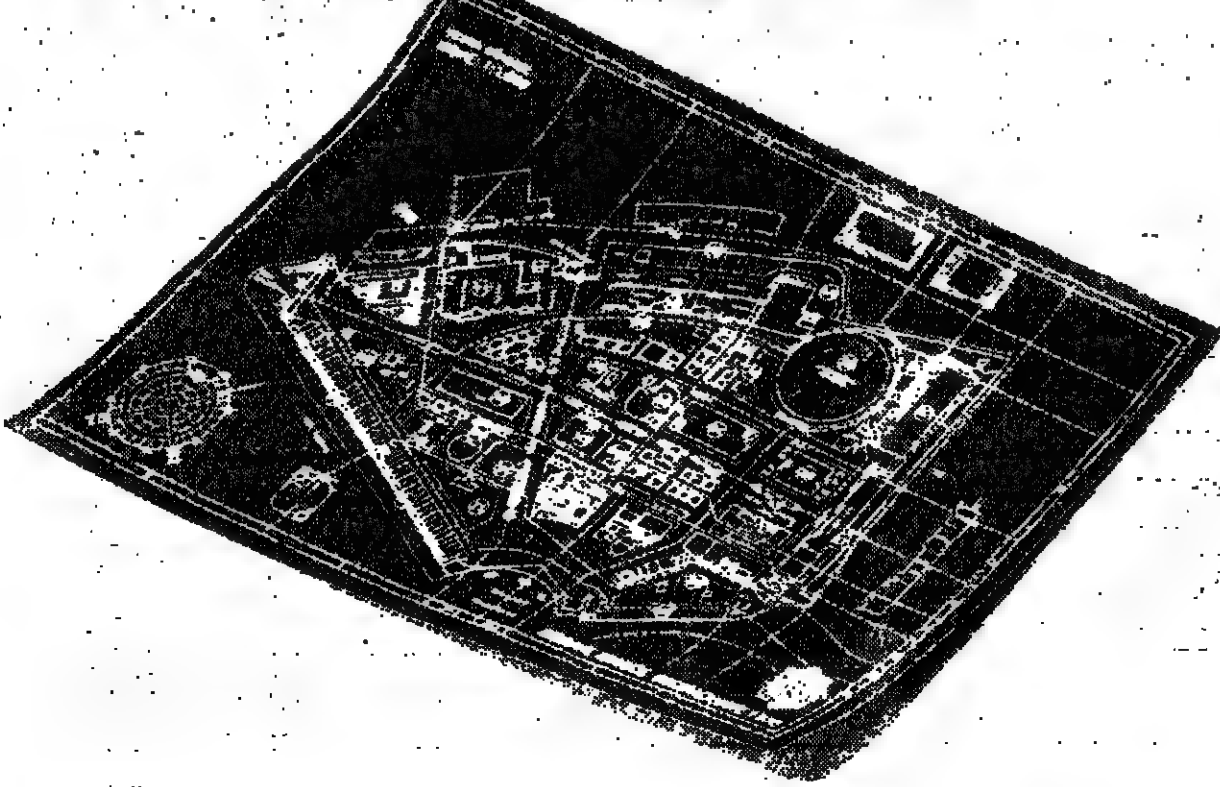
### TRADE EVENTS JANUARY-JUNE 1976

12th COMIS/PEL—International Fur Dealers' Salon	March 21-25
Exhibition-Conference on Numerical Controls	March 29-April 2
33rd MIFED—International Film, TV film & Documentary Market	April 16-23
MI-DO76—International Exhibition of Optical, Optometric and Ophthalmic Goods	May 8-11
EXPO ITA 76—International Exhibition of Heat & Sound Insulating Installations & Materials	May 18-21
STAR—International Trade Show of Carpets & Furnishing Fabrics	May 20-24
INTERBIMALL 76—5th International Exhibition of Timber & Woodworking Machinery & Accessories	May 22-29
5th SASMIL—International Exhibition of Semi-finished Products & Accessories for the Manufacture of Furniture, Upholstery & Wooden Articles	May 22-29
29th MIPEL—Italian Leather Goods Market (International Salon)	June 4-8
FLUID COMPOMAC 76—5th Exhibition of Oleohydraulic, Pneumatic & Lubrication Equipment, and of Mechanical, Electrical & Electronic Machine Parts & Components	June 10-15
26th EUROTRICOT—European Hosiery & Knitwear Salon	June 15-18
PLAST 76—International Plastics & Rubber Exhibition	June 20-26

For detailed information, also for Business Visitors' Cards and Advance Catalogue, apply to Segreteria Generale Fiera di Milano, Largo Domodossola 4, 20145 Milano (Italy), or to the Milan Fair Representative, Dr. V. Schjazzano, 20 Savile Row, London W1X 2DQ. Tel: 01-734 2411.

The Milan Fair Organisation declines responsibility for any changes in the dates announced as above by the respective Committees of these Exhibitions and Trade Shows.

for two weeks in September this is the map of the world



This map marks the spot where the trade world meets each September - The 41st Thessaloniki International Trade Fair, Thessaloniki, Greece. Last year 750,000 visitors from all over the world came to see and buy. This year even more are expected. It's fast becoming more than just another trade fair. Nowadays the trade world is expanding, and Thessaloniki is right there at the crossroads of

Europe, the Middle East and North Africa - the crossroads of supply and demand. Don't miss the chance to come in contact with this rich, expansive and interesting market. Plan to be where the world meets this September 5th to 19th in Thessaloniki, Greece. Entry deadline: May 4, 1976.

Official Carrier  
**OLYMPIC AIRWAYS**

I am interested in participating. Please send me free Exhibitor's Brochure to:

Name \_\_\_\_\_ State \_\_\_\_\_  
Street \_\_\_\_\_ Country \_\_\_\_\_  
City \_\_\_\_\_  
Area Code \_\_\_\_\_  
Mail this coupon to: Thessaloniki International Trade Fair, Thessaloniki 55, Greece, or to any OLYMPIC AIRWAYS local office.



## INTERNATIONAL TRADE FAIRS II

## Ways to ease the workload

THERE'S MORE to selling at trade fairs than the subsidised stands and other extras provided by the British Overseas Trade Board. These are invaluable in keeping down costs and much of the drudgery of the basic groundwork. But this still leaves a lot which the exhibitor must do himself to ensure that the stand is a success. All too often failures occur because the wrong products are being shown at the wrong fairs by the wrong people, in the wrong way.

In the first place he should be aware of the services which are available to him. This begins with the BOTB which aims at encouraging exporters to attend fairs in the markets where it believes Britain has a good export potential. Each year the board undertakes a product selection exercise which analyses prospects in 19 major markets. On the result it plans British participation at international fairs. Obviously the

selection does not meet every participation is undertaken exporters' requirements but it either as a joint venture scheme or a British Pavilion. Under This selection is conveyed to industry through trade associations, chambers of commerce and similar channels. Given the incentives, most British companies would be foolhardy not to participate on a group basis through the BOTB schemes. The exceptions are the large international conglomerates which may have a subsidiary of their own in the country where the fair is being staged and can obviously undertake the project more easily. Alternatively, the company's products may not fulfil the board's requirement that they should be either wholly, or very largely, British made.

The BOTB's fairs and promotions branch rents the stand space, engages stand designers and contractors and usually employs an exhibition organiser to manage the exhibition. Depending on the venue, and probably make the whole

exercise more costly. At fairs—mostly outside Western Europe—where participation has to be on a national basis, the BOTB organises a British Pavilion. Space, inclusive of shell stand and essential services, are again available at subsidised rates. In organising a British Pavilion the participants deal directly with the board and the organisers.

For all fairs attended outside Europe, either as a joint venture or British Pavilion, the BOTB pays half the return tourist air fair of two representatives manning each company's stand on condition that the journey is, whenever possible, by a British carrier. It will also pay 50 per cent. of the freight charges incurred in returning unsold exhibits—though there is often no need for this as goods are usually sold. At certain fairs, the BOTB may also contribute towards group advertising and

at major events it provides an official information stand attended by commercial officers of the diplomatic service. Acting as manager, the professional organiser undertakes liaison with the board, trade associations and stand designers. They will also take care of such details as tickets, catalogue entries, the hiring of interpreters, translations, telephones and furniture. And, in conjunction with travel agents, who offer a wide range of budget travel facilities, arrange travel and hotel accommodation; they will also undertake paid publicity to attract the right visitors to the stand.

Meanwhile the trade associations are responsible for acting as a channel of communication between the BOTB and participants. They are also obliged to man the trade information stand. Along with other administrative tasks they have to provide the BOTB with a full report on the commercial results of any joint venture.

At a time when company funds are necessarily limited, many trade associations have been taking a critical look at the plethora of trade fairs open to their members. The British Clothing Export Council for

one, to whom fairs are a major form of promotion, thinks there are far too many and is now concentrating on three or four really big events. The Machine Tools Trading Association is restricting attendance in a rather different way by limiting the number of events which an individual member may attend. Similarly, for many years now the associations which comprise the Measurement Control and Automation Conference liaise to ensure that their attendance at fairs does not clash too much. For instance SIRA goes to the Mesucora fair in Paris while BIMA does the Hannover fair.

But ultimately it is up to the individual company to decide which fair is the most appropriate for its products. Having selected the right venue it is then up to the exhibitor to make the best possible use of it.

## Objectives

He must first be clear in his objective. The next requirement is to establish a good exhibition team which should then co-ordinate all activities of this kind for the company—for it is not the easiest of marketing operations for the inexperienced. It is particularly important

that the same people are involved at all stages, all working towards the same deadline and objectives.

It is obviously essential that all products for display are ready to be shipped on time with adequate insurance cover and for all literature relevant to them to be available on the stand and in the appropriate languages. The right packaging is equally important. And on the stand itself imaginative use of clear graphic displays, lighting and furniture all help the main sales effort. Care should be taken to ensure that ambitious stand designs do not overwhelm the product itself.

Then we come to the man on the stand who, it should be remembered, acts as the exhibitor's sole contact with potential buyers. In the first instance he should be a salesman, who will actually be looking for sales. Quite often it is felt that British stands fall down because those manning the stands are not aggressive enough. On the other hand a buyer will not be receptive to being pounced upon by either. What is needed is a balance between the two so that the visitor is encouraged to stop by the welcoming attitude of the man on the stand.

But having got the buyer on the stand it is just as important that the salesman is fully conversant with the product and able to ascertain the buyers' particular interests. When exhibiting abroad it is absolutely essential that he has command both

of appropriate language and market—falling short in either should be laid on.

With selling time at a minimum he should also be able to distinguish between the customer and a potential buyer. Information for the company in the same field coming down to the selling point it is imperative that the man on the stand is able to carry the sales through—after all, too many sales are lost by delays in referring back to head office.

Since the success of a stand is as much in the interest of exhibitors, the good exhibition company will do its best to help the exhibitor. Some offer, free of charge, brief seminars to train salesmen in the special skills required. This is well worth taking since they should know about the business, the one else and have witnessed mistakes and potential time and time again.

A very succinct and a fascinating way of getting the message across are two minute films produced by the British leading organisations. In addition, the visitor is encouraged to stop by the welcoming attitude of the man on the stand.

Margaret H.



5th International Exhibition of machines and accessories for the working of wood

furniture, door- and window-fittings, floors, plywoods, wood shaving panels, packing, sawmills etc.

Milan - 22/29 May 1976 - Fair Ground

Segreteria Generale

INTERBIMALL—8, via Console Marcello-20156 MILANO (Italy)

## Cutting the costs

THERE MAY be times in a businessman's career when he feels that welcome in not the word written most prominently on the mat. The task of finding airline seats and accommodation for some of the bigger international gatherings can be tiresome. Frequently, however, this desperate search for transport or a room for the night is the plight of the late booker.

In fact the international trade fair and convention business is still, overall, a buyers' market. The word "overall" is important, for there are still some cities of the world, notably in the Middle East at the moment, where there is an undersupply of hotel accommodation for example. Normally this is not the case and hoteliers and airlines will fight to reach your doorway at the very hint that you might be planning a trip.

This competition runs through most layers of the travel business. Given a large enough gathering, cities, regions, and even nations, are prepared to offer a variety of incentives in order to gain the custom of the large organisation.

This is not done out of charity. If the spending of a

few thousand pounds on a civic reception for visitors to a trade fair means that fair will be held in one city rather than in a rival same time. The proceeds can be considerable. Business visitors spend much more per head during their stay in any trade fair area than their holidaymaking counterparts. Thus the visit of a sizeable gathering of foreigners can be extremely useful for local incomes, and employment, particularly if the get-together is outside the normal holiday season.

The basic philosophy in making the most of this situation is, of course, to shop around. Travel is notorious for having a variety of differing rates for the same product. Many travel agents have difficulty enough in finding the lowest air fare for a simple air journey, so ferreting out the best rates for a whole group can present him with considerable problems.

Normally the earlier decisions can be made the better it will be. Given some months to plan ahead an agent can often find an aircraft, if the group is big enough, which happens to be free that day, or, if there is a smaller number of passengers,

an airline which is eager for the traffic. It is important in both these cases, of course, that the whole group should travel at the same time. A company which allows large numbers of executives to wander out to trade fairs on whatever scheduled flight they choose is losing money on its travel account.

You can halve the fare to North America or the Caribbean, for example, simply by knowing 60 days in advance your precise travel details—and that applies even on an individual basis. On shorter haul visits to Europe there are many ways in which a travel agent can help a group of executives.

## Package

Some specialist agencies organise "package tours" specifically designed for overseas fairs and conferences. An agency might know very well that there will be several hundred Britons going to, say, Leipzig, or Geneva at a particular time and will organise a flight/hotel package in much the same way as a vacation package. This frequently offers substantial savings on do-it-yourself methods—but in this case you have to fit in with the tour operator's pre-arranged flight schedules. Obviously it does no harm to let an agent or airline know of your likely requirements some time in advance. If he hears of someone else in the same boat there may be some deal which can be worked out to the satisfaction of both of you.

As far as hotels are concerned, management normally prefer to deal in large numbers at the time of a convention or trade fair. The customer who can time the event is likely to meet with a very warm reception. Hotels are likely to be delighted with a very warm reception. Hotels are likely to be delighted with a very warm reception. Hotels are likely to be delighted with a very warm reception.

work, the members get rooms at reduced rate. Once again, the hotel usually expects a solid changeable booking. If you want 100 rooms for nights, then that is what will pay for, at a much reduced rate, of course.

Advantageous rates can be wooed from car rental companies, and often they little more flexible than a Given a little basic business, car rental company will cheerfully give a 10-25 per cent discount to conference guests, both during the of the meeting and for visiting which might take immediately after the sessions are over.

In all this, the worst part of going about the thing of a visit to any national meeting or fair do it on impulse—however this might be for business the time. During fairs flights are frequently booked (by those who planned ahead and got the fares); and hotels either no rooms left, or only with unfortunate views of local slaughterhouse. The may be left with having to pay a first-class flight placement which he never tended, or of taking a circuit to his final destination and of having to pull all ner of strings, and various pains before the accommodation he receives. Most good travel agents see the traveller through particular jungle, but it which has developed this particular breed of expert. There seems little doubt the present surfeit of rooms and aircraft will time into the forest future—again with those variations. So, for many to come, it will remain buyers' market. The one being that it is the buyer have their eyes set far ahead who will make the of the situation.

Arthur S.

## Exports

CONTINUED FROM PREVIOUS PAGE

available to British companies year and occupied about a quarter of the available hall mounting individual export exhibitions or promotions.

It has proved a great success—the CBI terms it an "invaluable asset" for selling in "a strange and distant market." The scope for selling exports through international fairs is therefore vast. They provide a unique opportunity for bringing buyer, seller and product together with the additional advantage that the buyer visits the seller. The problem for any exporter is to ensure that he will be the best use of them. With so many fairs to choose from the crucial decision is choosing the right place for meeting the right buyer.

## Berlin Favours Fairs

International exhibitions and trade fairs in the centre of European markets

Berlin—international city, in the centre of European markets. Meeting point for East and West, North and South. City of communication of science and industry. The market for millions.

The Berlin exhibition grounds count among the most beautiful in Europe: its 23 one-storey halls with a total of 88,000 sq.m. of exhibition space are linked with each other. In addition there are the 40,000 sq.m. of open-air grounds. Only a few minutes drive off the Ku'damm with its hotels and well-known hotels-garni. The Avas, the city highway and the main connecting crossroads lead directly to the entrances. 16,000 parking lots. Underground, city S-Bahn, bus, taxi.

And there is Berlin. With its restaurants known the world over. Its concerts, galleries and museums. In brief: its asset for every trade fair: Berlin favours fairs.



## Dates 1976

Jan. 23 - Feb. 1	International Green Week Berlin 1976
Feb. 28 - Mar. 7	10th International Tourism-Exchange ITB Berlin 1976 Boat, Sports and Recreation Exhibition BSP Berlin
Apr. 3 - Apr. 7	15th INTERCHIC Berlin — the Fashion Fair —
May 31 - June 3	Multiserve 76 Berlin Trade Fair for Food Service and Catering
Aug. 26 - Aug. 30	14th Overseas Import Fair "Partners for Progress"
Sep. 18 - Sep. 26	German Industries Exhibition Berlin 1976
Oct. 30 - Nov. 7	KULINARIA Berlin German Gastronomy and Foodstuffs Exhibition 1976 Dates subject to alteration.

For information and material please apply also to:  
German Chamber of Industry & Commerce  
in the United Kingdom  
McWing Zahn,  
11 Grosvenor Crescent, London SW1W 7EE



Please request our new prospectus.

IFM Berlin  
Company for Exhibitions Fairs and Congresses Ltd.  
P.O. Box 101740, Messedamm 22 D-1000 Berlin 19  
Phone: (030) 3036-1 Telex: D52908 mifm



# LYONS INTERNATIONAL

## AIR

and its specialised Exhibitions

20th — 29th March 1976

th LYONS INTERNATIONAL FAIR

TRANSFORMETAL (Machine-tools, welding equipment)

CONSTRUBAT (Building equipment and material)

PROCADO (Gift articles) — Trade visitors only.  
From 20th to 24th March 1976

2nd — 5th October 1976

EUROPAM — PRO-MEUROPAM

European Furniture and Furnishing accessories  
Exhibition. Trade visitors only.

### Information:

IRE INTERNATIONAL DE LYON  
Avenue des Congrès 69459 — LYON CEDEX 3  
(78) 24.29.61. Telex: 340056 Foiryo Lyon

in the U.K.:

Ms Brenda Leech  
East Street RUSPER, Nr. HORSHAM, Sussex  
Tel: 461 Rusper

## 8th MICAM INTERNATIONAL FOOTWEAR, TANNERIES AND ALLIED PRODUCTS EXHIBITION

MILAN, 9-13 September 1976

1,100 exhibitors — over 32,000 sq.m.  
covered area

THE MEETING POINT FOR  
BUSINESSMEN THE WORLD OVER

### Information:

MICAM — I, Via Dogana —  
20123 MILANO (Italy)  
Tel.: 802882 — 802770 — 804678

## FLORENCE

from April 24th to May 6th, 1976

## 40th INTERNATIONAL HANDICRAFT FAIR

"ARTIGIANATO"

The official publication of the Fair issued every three months richly illustrated and with English edition.

Information:  
ENTE MOSTRA INTERNAZIONALE DELL'ARTIGIANATO  
Piazza della Libertà 50129 FIRENZE, Italy

## INTERNATIONAL TRADE FAIRS III

# Middle Eastern promise

THE IMPRESSIVE rise in British exports to the Middle East last year, which were up by just under 79 per cent during the first six months of 1975, has made the area a prime attraction for trade fair visitors and potential exhibitors looking to expand exports abroad.

Although British industrial plant, machinery and consultancy services in particular are in great demand, the idea of trade fairs as a means to facilitate greater contact between buyer and seller is a relatively new one in the Middle East.

British exporters have also lagged behind some of their biggest competitors, notably the Japanese, Americans and Italians, in making the most of this new opportunity. But the highly encouraging results achieved at Middle East trade fairs last year, together with the massive development programmes announced by some of Britain's major clients in the Middle East in 1975, promises to make not only such relatively established fairs as the Ixmire, Damascus, Cairo or Algiers international fairs but also the newer, specialised ones, such as the Modern Technology Fair in Tehran, favourite choices this year. Joint ventures are also becoming increasingly popular as a means to promote the smaller, fair and to attract medium- and small-sized firms. They will also benefit from new measures under way by the British Overseas Trade Board aimed at increasing exports to the oil-producing states.

British interest in the Middle East markets, which has expanded from the traditional ones in the Gulf States to include such countries as Iran, Saudi Arabia, Egypt, Libya and

Algeria, is underscored by the big increase in exports to members of the Organisation of Petroleum Exporting Countries, half of last year rose by 61 per cent to \$86.9m, making it the Middle East's third biggest client in the first six months of 1975. In the first six months of 1975, Britain exported goods and services to the Middle East worth £1.12bn, up from £1.02bn in 1974.

Exports to Iran, Britain's biggest client in the area, more than doubled in the first half of last year, rising to \$244m, and, judging by the success of British exhibitors at the Tehran International Trade Fair in September last year, exports this year could easily show another big increase. Five days after the Fair opened on September 13, Elliott Machine Tools had sold all the seven ducts and machines on its stand, worth a total of \$25,000, and had received orders expected to be worth another \$45,000. Simon Engineering sold a \$60,000 fire-fighting and rescue unit to the city of Isfahan while Wadkin had received orders worth up to \$20,000.

The signing of a new, wide-ranging agreement on trade, industrial and technical co-operation last year and the establishment of the Joint British-Iranian Ministerial Commission, in December should make it even easier for British firms to enter or expand their markets in Iran. No doubt this has also raised interest in this year's fair. It runs from October 18-31, and more than 150 British firms are expected to take part.

Interest in the Saudi (Arabian) International Trade and Industry Fair to be held in

Jeddah in March is also reported to be high. British exports to Saudi Arabia during the first half of last year rose by 61 per cent to \$86.9m, making it the Middle East's third biggest client in the first six months of 1975. Exports to the United Arab Emirates more than tripled in the six-month period to \$102.4m, and since the Jeddah Fair traditionally attracts buyers from all parts of the Gulf, it provides a vast market of great potential.

### Consultancy

Even more encouraging this year is the possibility of taking part in Saudi Arabia's \$142bn Five-Year Development Plan, announced in July. The Saudis are said to be particularly interested in British health, education and industrial professionals, and also in consultancy services, particularly urban planning. BOTB is planning to run an information stand at the fair, part of a broad programme to encourage British exports to Saudi Arabia which also includes plans to send six BOTB-sponsored trade missions to the country in the next four months.

Interest in the 13th Algiers International Trade Fair is running somewhat slower than in 1975 despite the Government's well-publicised efforts to diversify its sources of supply away from France. The Government's big industrial development plans, on which it intends to spend \$26bn between 1974 and 1977 appears to have attracted more interest in other parts of Europe than in Britain, but the success British firms have achieved at past fairs there, particularly for capital goods

such as textile machinery, fork-lift trucks, cranes and oil drilling equipment, is expected to overcome recent fears about Algeria's ability to pay for such a massive development programme.

Interest in the smaller, specialised trade fair is also extending to the Middle East. Iran and Egypt appear to be the favoured locations, but others planned elsewhere in the Middle East are also showing increased attendance: the exhibition of British luxury goods set for this month in Dubai attracted 45 firms dealing in fine arts, jewelry, crafts and sporting goods.

In Iran, more than 30 British companies are expected to take part in the Modern Technology Fair which runs from April 28 to May 5. "Construction 75," one of a series of specialised exhibitions organised by the Iranian Fairs and Exhibitions Corporation, reported total sales in the region of \$500m, during a six-day exhibition in Tehran from June 22 to June 27 last year. Over 50 British firms, including the Building Materials Export Group, took part in the fair under a joint venture arrangement between RMEG and BOTB. Another exhibition, on agriculture, food products and irrigation, attracted over 100 companies from Western Europe, the U.S. and Japan last autumn. Other specialised fairs planned this year in Iran include the International Fair of Packaging (Iran-Pack), scheduled for June 23 to June 28 in Tehran, one on "Camping and Sport" set for May 31 to June 7 in Tehran.

In Egypt, Pergamon Press signed an agreement with the State-run Egyptian General Book Corporation to set up a joint company to translate and adapt scientific textbooks for Arabic readers after taking part in the Seventh Cairo International Book Fair in February. This year BOTB has set up a joint venture with the Book Development Council to encourage British participation in the Fair, which runs from January 26 to February 6. BOTB is also organising a British Pavilion for the Cairo Hotel and Catering Exhibition to be held from June 7 to June 17. The exhibition is to cover a wide range of building, restaurant and hotel equipment and is likely to attract buyers and sellers interested in the big tourist development projects under way not only in Egypt but also in other parts of the Middle East and North Africa.

For the British exporter the Middle East trade fair, whether of the big, international or of the smaller, specialised kind, offers unique opportunities to enter one of the fastest-growing markets in the world. For the small to medium-sized firm unfamiliar with the area, the trade fair provides a good starting point from which salesmen can not only make useful contacts but also determine which of the firm's products are most likely to be in demand. Most importantly, however, trade fairs in the Middle East bring the best of both worlds to both buyer and seller: the Middle East client who still prefers to do business in person, directly and often on-the-spot, and the British exporter who is able to provide product and marketing designs, literature, samples and sales documents with relatively ample time for preparation.

Pamela Ann Smith

Middle East Economic Digest

## Ambitious centre for Britain

IN A few days' time, with the staging of the first exhibition at the \$44m National Exhibition Centre near Birmingham, Britain will be making a clear expression of faith in its ability to produce and sell its goods to the world.

The opening of the NEC will come as a refreshing development in a world beset with economic recession and in a country where good news on the industrial and economic front has become something of a rarity.

It will also be the beginning of a rigorous testing period for an enterprise which has had its fair share of detractors and which, but for the stubborn determination to succeed on the part of its creators, would never have seen the light of day. That the complex of buildings and facilities set in a beautifully landscaped 310-acre site a few miles from the centre of Birmingham will provide exhibition facilities equal to those anywhere in the world is beyond doubt, only the NEC's long-term viability remains in question.

Certainly, things have got off to an encouraging start, which must be of immense satisfaction to the project's pioneers. Over 80 exhibitions have already been booked for the first two years of operations and doubtless exhibitors and visitors alike will be impressed with what awaits them.

But the answer to the centre's ongoing success lies quite simply in its ability to attract large numbers of people. For their part, the exhibitors have already shown a faith in the NEC's potential which must be considered above and beyond the call of duty at such an early stage, with numerous exhibitions prepared to take a chance rather than wait and see what happens to others. They are prepared to leave their old familiar habitat of London or the towns of the South Coast and hawk themselves and their products 100 miles or more up the M1 into what must be "uncharted waters" on the exhibition front.

The exhibitors will be closely watching the volumes of business generated by the Midlands showcase and making some telling comparisons with experiences at Earls Court and Olympia.

It is clear that they will stay only if visitors come — both from the relevant trades and industries and on occasions from the general public — and with this in mind the centre's operators have homed in on what they describe as the "unique cluster"

of travel facilities which the NEC can offer.

For while making light of the fact that the complex is far removed from the traditional exhibition centre, the NEC men know only too well that they have a major job on their hands in effectively closing the gap between London and Birmingham.

They consistently point out that major exhibition complexes throughout Europe are not necessarily situated near capital cities and they have nevertheless been extremely successful. London's natural "right" to be the country's show window has, as a result of the deteriorating standards of facilities on offer and the almost impossible task of replacing at anything approaching an acceptable cost.

### Visitors

Neither is it simply a matter of attracting people from various parts of the country to the centre, for to be completely successful it will have to play host to large numbers of international visitors.

So how will everyone get to Bickenhill, where 1m sq. ft. of exhibition space and an impressive line-up of related facilities await them? Internally, it would be hard to imagine a site better placed to attract people from all over the country, not just London. Like the spokes of a wheel, the M1, M5 and M6 motorways already converge on the area and the centre estimates that 20m. people live within 100 miles of the complex, in many cases 100 motorway miles, which means fast travel.

Work has also started on the first section of the M42 motorway which runs along the eastern boundary of the site and will provide a further link between the M5 and M1. When completed, the M40 motorway from Oxford to the south of Birmingham will provide another major route from London and the south east.

Around the site itself, four special interchanges are being provided to provide rapid access to the centre from not only these motorways but three major roads as well.

When the motorist arrives, he will find 15,000 car parking spaces and there will also be room for 200 coaches. Apart from road links, British Rail's inter-city express route from London to the north passes right alongside the complex and a new, five-platform station is being built which will be linked

to the exhibition centre by covered walkways. It will take the visitor from London just 80 minutes to travel from Euston to the new Birmingham International station and trains will run regularly throughout the day. For those who stay, the NEC believes there are 12,000 hotel rooms available within 20 miles of the site.

As a further alternative, Birmingham's Edmon airport also lies close to the 310-acre site, providing a rapidly expanding service of domestic and international flights. Plans are in hand to build a new terminal, though the timing on this remains in doubt because of the general economic situation, and when this is complete the centre will really be able to claim a range of facilities second to none.

Set among heavily wooded grounds with a 16-acre lake as focal point, the centre's six main halls will be put together for the largest shows or, alternatively, will house separate exhibitions, often associated with their next door neighbours. The halls range from 3,998 square metres to 25,300 square metres and are all on ground level, with access for goods vehicles at regular intervals around the perimeter.

According to the NEC, however, the most important feature of all — a result of close examination of similar complexes throughout the world — is the discipline established of providing separate areas for each individual activity. The picture of different personnel all trying to complete their tasks quickly within one confined space has been all too familiar in the past. So at the NEC, the provision of services to stands will be carried out completely underground while contractors at floor level can concentrate on assembling the stands and installing exhibits. Walkway service tunnels have been provided under the main gangways containing all essential services and exhibitors can draw off these as required. Close to the halls there will be 15,000 sq. m. of warehouse space.

As the big day approaches, there is no doubt that the goodwill of Midlandsers and many more people besides is with the NEC, which is expected to draw 5m. visitors a year and £2m. a day into the region.

All that now remains is to see whether such an adventurous provincial project can establish itself firmly among the ranks of the world's major exhibition centres and provide Britain with a badly needed showcase to meet to-day's needs.

Michael Cassell

## Bari the City of Fairs awaits you in 1976

### The spring Fairs

EXPO DATE	EXHIBITION
EXPO 1976	International Contemporary Art Exhibition
EXPO 1976	Exhibition of Music and high-class musical instruments
EXPO 1976	Exhibition of painting, drawing, photography, sculpture, and garden installations, equipment and furniture
March 27-28-29-30-31 1234	EXPO 1976
April	EXPO 1976
EXPO 1976	International Show of sports, aquatic, motor-car and motor-cycle installations, sporting articles and equipment
EXPO 1976	International Tourist and Information Show
EXPO 1976	Exhibition of gift items, handicraft, toys, novelties and hobbies
60,000 sq.m. display area - 700 exhibitors	
May 6-7-8-9-10	FOURTH MARABOLIVANTE
May 29-30-31	International Show of textile, machinery, equipment, implements and accessories
40,000 sq.m. display area - 300 exhibitors	
May 29-30-31	EIGHTH MARABOLIVANTE
June 1-2-3	International Furniture and Furnishing Fair
50,000 sq.m. display area - 800 exhibitors	

### The autumn Fairs

September 10-11-12-13-14-15-16-17-18-19-20	FdL	FOURTH FIERA DEL LEVANTE
		General International Sample Fair
300,000 sq.m. display area - 7,700 exhibitors from 90 countries		
September 10-11-12-13-14-15-16-17-18-19-20	AGRI LEVANTE	SEVENTH AGRI-LEVANTE
		International Show of agriculture machines and equipment, and zootechnology
50,000 sq.m. display area - 600 exhibitors		
September 10-11-12-13-14-15-16-17-18-19-20	EDIL LEVANTE	SEVENTH EDIL-LEVANTE
		International Show of building and earth-moving material, equipment and machinery, prefabrication, conditioning
40,000 sq.m. display area - 550 exhibitors		
September		SECOND ITALIAN INDUSTRIAL MOTOR-VEHICLE SHOW

Information: E.A. FIERA DEL LEVANTE - 70123 Bari (Italy)

## There's only **one** maritime show which has:

- MORE international representation
- MORE international visitor coverage
- MORE technical visitors
- MORE floor-sales & after-sales coverage
- MORE official buying delegations

can you afford to miss

## europort '76

and the markets it opens?

For further information, please contact:  
EUROPORT TENTONSTELLINGEN B.V.  
Weathaven Z.Z. 44 - Rotterdam  
Tel.: 010 - 299655 - Telex: 24384



## PITTI UOMO FLORENCE

PALAZZO DEGLI ARTI PATRIZIA ADRIA  
13-16 FEBRUARY 1976

## COMPLETE SHOWINGS OF ITALIAN MEN'S FASHION

OFFICIAL PRESENTATION OF THE  
AUTUMN/WINTER 1976-77  
COLLECTIONS BY THE MOST  
IMPORTANT FASHION FIRMS

admission restricted to buyers and the press

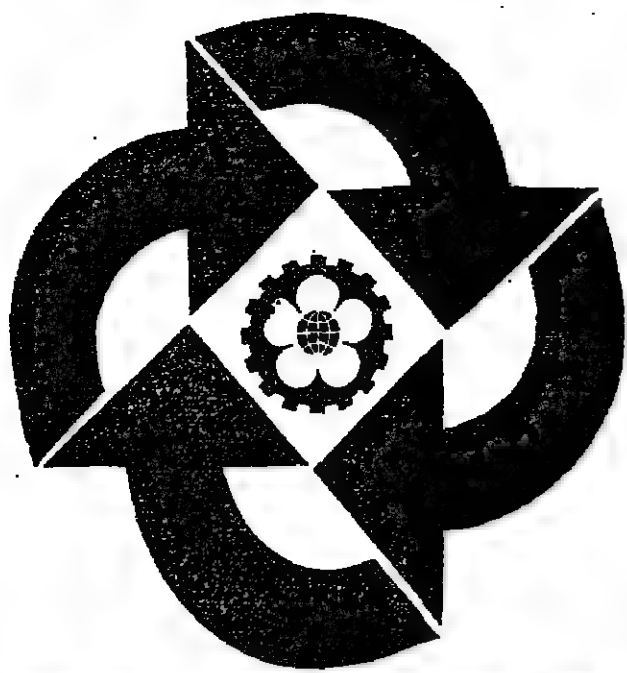
CENTRO DI FIRENZE  
PER LA MODA ITALIANA

for information, programme and list of exhibitors:  
109/111, via Faenza - 50123 FIRENZE (Italy) - tel. 055-219331/2/3



## INTERNATIONAL TRADE FAIRS IV

## Gateways to East Europe



32<sup>th</sup>  
INTERNATIONAL  
FAIR PLOVDIV  
BULGARIA  
3-10 September 1976

An Established centre of world trade will give you a cordial welcome.

An area of 165,000 sq.m. has been booked for exhibits reflecting the latest developments of science and technology.

Technical conferences and symposia will promote the exchange of information and experience on matters of common interest.

**WELCOME TO THE 32ND  
INTERNATIONAL  
PLOVDIV FAIR  
3-10 SEPTEMBER 1976**

For details please contact:

The Management of the International Fair-Plovdiv  
37 G. Dimitrov Blvd  
Cables: Panaira Plovdiv  
Telex: 044452 Partet BG

The Bulgarian Chamber of Commerce and Industry-Sofia  
11a Stamboliski Blvd  
Cables: Torgpalata-Sofia  
Telex: 23374

All Bulgarian commercial missions abroad

ANYONE DEALING with Comecon comes across a trade fair sooner rather than later, and learns that the date of Leipzig, Poznan or Brno is the pivot round which the commercial year rotates. And if he stays in the business any length of time he will get to know those places, along with Budapest, Bucharest, Plovdiv and Sokolniki Park, like the back of his hand.

But many businessmen willing away the hours on their expensive stands also frequently ask themselves just why they are there. As these fairs get bigger and more impersonal, less business is actually done at the fair itself (though for publicity reasons news of new contracts is often held back till fair time) and many people privately admit that they are only there to fly the flag.

Certainly, the original idea of fairs as a giant meeting-ground for buyer and seller in countries where personal and trade contact can be difficult is now being modified. Even the East Europeans themselves, who are proud of their fairs and attach great importance to them, admit the need for more intimate gatherings where genuine business can be conducted.

But before examining these trends, it is worth taking a brief look at the East European Fairs system, because it is special and is bound to remain important whatever changes occur.

All East European countries now have large, purpose-built exhibition grounds. In the Soviet Union, Hungary and Romania these are in the capital cities. The Poles have developed their site at Poznan half-way between Warsaw and Berlin; the East Germans built up the centuries-old Trade Fair at Leipzig where echoes of Bach now mingle with the clatter of modern machinery. Czechoslovakia boasts what most businessmen agree is the most beautiful Comecon Fair, set in a wooded valley outside Brno; and the Bulgarians have their Fair at Plovdiv on the central agricultural plains.

These sites usually have permanent national pavilions for individual Comecon countries; the Russians for instance

have a palatial echoing building just inside the Leipzig entrance gate.

Originally, general fairs were held once or twice a year, but most countries later divided these up into at least two different categories, usually capital goods and consumer goods, with several months in between. The Russians are the main exception. They hold special exhibitions only.

Traditionally, Comecon fairs have had two aims. First they provide a showcase for goods within the economic grouping and from outside. This may seem an obvious function, but information often takes a long time to get round Comecon because of cumbersome procedures and lack of competition.

Second, fairs were the main if not only channel of contact with a system where all foreign trade is State controlled. Any western businessman wishing to launch a sales operation in East Europe was advised to set up a stand at a fair as his first step.

He still is. But over the years the gradual relaxation of movement and contact, as well as the deliberate decentralisation of foreign trade responsibility in countries like Hungary have greatly eased the foreign salesman's job, particularly insofar as contacting that most elusive of Comecon creatures, the end-user, is concerned.

**Prestige**

These improvements, along with the fact that fewer senior Comecon officials attend trade fairs because they deal direct with foreign businessmen through more sophisticated channels, has tended to undermine the fairs' importance. However, for reasons of prestige or to encourage competition, the East Europeans still put pressure on western businessmen to take space at the fairs, and have

even in some cases hinted that a deal could depend on it.

There is no doubt that flag-waving is important, especially nowadays when western competition in Comecon is hotting up. And most western businessmen agree that fairs are the best place to expand contacts, pick up information and sniff the air. But as for actual selling, they prefer the special fairs, of which there is now a fast-growing number.

The Soviet Union, it has already been mentioned, only holds special fairs. These are of two types: industrial sectors like Farm Machinery, Chemicals, Public Health; and particular aspects of industry and science like Electronic Microscopes, Crime Prevention, and Powder Metallurgy. These are all held in Moscow and can number anything between 15 and 20 a year.

Participation in a Soviet fair is more remunerative than most because the foreign trade system is still somewhat inflexible, and other apparent entry points can lead into a maze of bureaucracy. Furthermore, the Russians take great trouble to fly in appropriate people from all over the country so that a seller can make contact with a potential buyer whose factory is in the depths of Siberia.

But even so, an exhibitor is advised to work hard, get out and about, and let everyone know he's there.

The Czechoslovaks normally hold a fair for consumer goods in the spring and for capital goods in the autumn, but in between there are several special interest exhibitions. In the immediate future there will be ones on food and inventions. The Hungarians operate a similar pattern except that their consumer fair is in September and their capital goods fair in the spring. This year's special exhibitions include construction, environmental protection (a growing industry in East Europe), packaging and electronics.

The trend towards specialisation is also marked at Poznan which is holding two special fairs on top of the traditional capital goods fair in June and consumer goods in September. These are for medical equipment in April and office equipment in November.

The Bulgarians hold a single annual international fair, usually in September, but they are also holding special fairs on metal cutting machines (June) and consumer goods (November). Because of its southerly situation Plovdiv tends to attract a wider cross-section of Mediterranean and Middle Eastern participants than the others.

Romania has lined up an ambitious programme of 35 exhibitions this year covering a number of themes in industrial equipment, petrochemicals, transport and telecommunications, control appar-

atus, medical printing.

Leipzig, which is unique fair in Comecon, is of importance just to the host's to its usual twofold grammar. But within the fair, the sectors are divided into consumer goods, consumer goods, consumer goods.

Alongside this interest in technical exhibitions, there is a brief but highly effort can be made to time wasted in burning out the

Seminars are by industrial so far are encouraging. Obviously, companies must develop what they have. Even old hands trade hold diff about the fair much depends on effort put in. But the trend in fairs is accelerating that these, at its value and increasingly cost East-West trade.

David East Europe

IT WOULD WITH FRANK AN ITSE

Frankfurt International 22-26 Feb

Information & B COLLINS & 35 Sackville St Telephone: 01-771 Tel: INTRAPR



Marine engineering exhibits outside the Soviet Pavilion at Leningrad-75 exhibition.

## Canton's changing role

PARADOXICALLY the importance of the Canton Trade Fair to China seems to grow as its economic impact lessens. No one longer does the twice annual fair account for significant share of China's total trade, but each session continues to receive the same hullabaloo as in previous years.

The Canton Trade Fair is both in terms of floor area and in terms of visitors the largest trade exhibition held in the world. Perhaps this is true in terms of volume of transactions as well—no outsider really knows—but back in 1973, the autumn trading session was roughly estimated to have been worth \$1.3bn.

During 1973, foreign visitors began to ask each other about the future of the trade fair. Early that year China launched the first of five had trading sessions with an attempt to raise the price of export commodities to "world market levels." In a few cases the Chinese pricing mechanism had erred. Prices were at times set far above world market levels.

In other cases, Chinese merchandise was less competitive because of slow delivery times or difficulties with packaging. Foreign traders predicted disaster. Attendance at the fair slumped. But there was no great fall in trade fair volume and China's total trade grew by 67 per cent. over that of 1972 and again grew by 39 per cent. to \$13.7bn. in 1974.

What was happening was that the fair was losing its vital role in Chinese trade. More deals were being concluded outside of the fair precincts, mainly in Peking. Increasing exports of oil (12m. tons, worth \$1bn. last year) speeded this process.

**Exports**

At the same time the fair was moving to become what it is officially—the Chinese Export Commodities Fair. Back in 1973 two-thirds of trade fair volume was composed of Chinese exports. Exports make up more than 80 per cent. to-day and the important National Technical Import Corporation does not even bother to attend. The fair is used to be an important meeting point for foreign salesmen anxious to introduce their products. A more straightforward method must be used these days.

In the past two years, China has been expanding the use of "minifairs," small speciality exhibitions for such commodities as carpets, handicrafts and most recently, a down and feather fair held in Shanghai. The speciality exhibitions are given nowhere near the publicity as Canton's vast display.

No member of the foreign Press is believed to have attended the fair. But foreign businessmen who have attended say they are most successful. This process of diversifying China's trading methods has continued with Chinese participation in foreign trade fairs increasing rapidly in recent years. This process is bound to continue according to officials at China's most recent Canton Fair, the 38th semi-annual session. Furthermore, there will be more activity at trade missions. The Chinese made heavy purchases of aluminium during the first mission of the China Council for the Promotion of International Trade (CCPIT) to the U.S. last year.

Where does this leave the Canton Trade Fair, which now has an attendance of about 25,000 foreign businessmen compared to about 28,000 in 1973? The answer is that the Chinese consider the fair will grow steadily. A new, 33-storey hotel is scheduled to open later this year to hold additional guests. Perhaps the Chinese officials are right.

already too jammed with diplomats to house additional thousands of businessmen.

The Chinese quite logically believe that their commodities cannot be well sold mainly through the post or through trade missions abroad. The foreigner must see the latest product. He must be given a chance to see products in fields outside his own, and, at the same time, he should have a chance to see something of the growth of China.

The trade fair, thus, is not merely a display case for merchandise. It is a museum for instruction on People's communes, acupuncture, anaesthesia and China's oil industry. Many of the products on display at the recent session were not for sale. This included computers, television and movie cameras and various programme-controlled lathes.

**Vehicles**

On the other hand, six different lorries and two models of a cross-country, four-wheel-drive vehicle were on sale and expected to attract much interest from developing nations. (Which does not mean of course that China is not a huge market for Japanese and European-made motor vehicles.)

Foreign visitors to Canton too seldom realise that the 1.2m. square foot exhibition hall is also an important propaganda medium for Chinese residents. Prior to the Cultural Revolution, the fair used to be a point for the announcement of new statistics. This practice may resume though the figures announced at the most recent session differed markedly from the trade or production statistics of the past.

The only new national statistics posted referred to the standard of living in China over the last decade, pointing out that the amount of retail commodities had increased by 74 per cent. In that period while the average price of all items sold nationally had declined by 2.9 per cent. Since these figures appeared shortly after a campaign for wage increases by workers was rejected, their display must have had domestic significance.

Officials at the Canton Trade Fair are now quite willing to confirm that their fair has diminished in its relative economic importance to China. Back in 1973, the fair was said to be "a significant international trading centre and an important channel for China to expand her friendly relations with the people and businessmen of other countries." Now no such claims are made. On the other hand,

the Chinese Press for the first time is noting that there were advances in the value of transactions made at the fair. In the past, the only reference was to the number of transactions, a deliberately misleading figure. The change can only indicate optimism for the future.

Paul Strauss

**maice**  
EXHIBITIONS - MILAI

International Gifts, Crystal Ceramics, Silverware, House Hardware and Tools Exhibit

Trade MILAN FAIR GROUND Twice a year - February and Sep

MAICEF presents a rare opportunity for only to see the best and most original to meet and exchange ideas and notes trends and developments with other from around the world. The exhibition halls themselves are ranged and the goods clearly displayed that you see everything in the best possible with the least possible trouble.

MAICEF - Via Solferino, 25 - 20121 MILA Representative of MAICEF for the United HARRISON ASSOCIATES 3, East Street, Rusepe Nr. HORSHAM, Sussex. Tel: RUSPE

**STAR 7**  
CARPETS  
FURNISHING FAB  
TRADE FAIR

**milan fair**  
20-24 may 19

Information: STAR - 128, Viale Monza - 20127 MILANO Italy - F

## International Specialised Exhibitions in the USSR

1976  
The 2nd International Exhibition "Equipment and Technological Processes in the Light Industry."  
MOSCOW, MAY 25-31 JUNE  
Equipment for Industrial Production of Mixed-Food and Processing of Secondary Raw Material for Foddering.  
MINSK, MAY 27-JUNE 6  
Diamonds, Diamond Tools and Equipment for Diamond Machining.  
KIEV, JUNE 1-10  
Agricultural Chemistry—in conjunction with the VIII International Congress on Mineral Fertilizers.  
MOSCOW, JUNE 17-23  
Modern Amusement and Public Park Equipment.  
MOSCOW, JULY 1-18  
Equipment, Apparatus, Devices, Instruments and Materials used in Cartography and Geography—in conjunction with the VIII International Cartographic Conference and the XXIII International Geographic Congress.  
MOSCOW, JULY 17-AUGUST 18  
Machines, Equipment and Instruments for Mechanization of Potato Cultivation, Harvesting and Processing.  
MINSK, JULY 25-AUGUST 8  
Automated Devices for Traffic Control and Regulation of Transport and Pedestrians.  
MOSCOW, AUGUST 5-15  
Equipment and Goods for Health Resorts and Recreation Centres.  
RIGA, AUGUST 10-19  
The 2nd International Exhibition "Municipal Service and Domestic Equipment."  
MOSCOW, SEPTEMBER 1-15  
Equipment for Plating Corrosion Resistant Coatings and Non-Metallic Materials in Oil Chemistry.  
USA, SEPTEMBER 16-24  
Equipment for Processing of Black and Green Bulkheads and Insulating Tea Ship Automation.  
TALLIN, SEPTEMBER 28-OCTOBER 10  
LENINGRAD, OCTOBER 7-17  
Equipment, Tools and Instruments for Watch and Jewelry Industry.  
MOSCOW, OCTOBER 12-21  
Cotton Cleaning Machinery.  
TASHKENT, OCTOBER 14-24  
Instruments and Apparatus for Radiophysical Research.  
MOSCOW, OCTOBER 13-24  
Machines, Equipment and Instruments for Food, Coating and Wine Industries.  
BAKU, OCTOBER 14-24  
1977  
The 2nd International Exhibition "Electrotechnical Equipment and Power Transmission Lines."  
MOSCOW, JUNE 6-23  
The 2nd International Exhibition "Railway Transport."  
MOSCOW, JUNE-JULY  
International Exhibition "Equipment for production and control of electron technique's articles."  
MOSCOW, AUGUST-SEPTEMBER  
The 4th International Exhibition "Chemistry."  
MOSCOW, SEPTEMBER-OCTOBER  
Please apply for information to:  
Department of International and Foreign Exhibitions in the USSR, 1-3, Sokolnichesky Val; Moscow, 107237, USSR. Tel: 7185 UTP SU. Telephone: 245-78-83

**Leipzig Fair**  
German Democratic Republic  
14-21 March 1976



For today and tomorrow....

Leipzig Fair offers information, contacts, trade. Some 9,000 firms from 60 nations show the latest in capital equipment and consumer goods. The CMEA countries display the achievements of their steadily growing co-operation. Special Product Displays feature particularly important industrial developments. Conferences and Lectures pinpoint new trends. Half a million specialist visitors come from 100 countries.

Leipzig has something for you.

For full details apply to  
Leipzig Fair Agency in Great Britain, Dept. B,  
19 Dover Street, London W1X 3PB.  
Tel 01-493 3111

Reserved accommodation bookable in the UK.  
Direct flights by British Airways.  
Rent-a-Car facilities in Leipzig.

فكرنا اننا لنصل







# WALL STREET - OVERSEAS MARKETS

## Up another 10 in early active trading

### Dollar lower

By OUR WALL STREET CORRESPONDENT

THE ADVANCE continued on Wall Street today, following optimism in Washington about the long-range outlook for the economy. President Ford said he was very optimistic about the economy in 1976 and its recovery from the recession last year.

By 1 p.m. the Dow Jones Industrial Average was up another 10.31 to 264.26 and the NYSE All Common Index put on a further 45 cents to \$33.94, while advances held a three-to-one lead over

Closing prices and market reports were not available for this edition.

declines. Trading volume further expanded 2,800, shares to 20,850, compared with 1 p.m. last Friday.

Analysis said other favourable influences included an improvement in investor psychology stemming from the Stock Market's explosive New Year rise, plus recent declines in interest rates.

Companies reporting higher corporate earnings were among outstanding performers. These included Bell, up \$1 1/4 to \$42 1/4, and Western Union, up \$1 1/4 to \$77 1/4. Other gains were seen in Mobil Oil, up \$1 1/4 to \$33 1/4, and Coca-Cola, up \$1 1/4 to \$27 1/4.

U.S. Steel added \$1 1/4 to \$73 1/4 on Press reports that the recovery in the Steel Market seems to be continuing.

IBM rose \$1 1/4 to \$33 1/4, Fairchild Camera \$1 1/4 to \$33 1/4, Motorola \$1 1/4 to \$48 1/4, Du Pont \$1 1/4 to \$51 1/4, and MCA \$1 1/4 to \$75 1/4.

But Conrail, which traded for the first time since December 10, fell \$1 1/4 to \$21 1/4. The Securities and Exchange Commission last week alleged that 18 persons manipulated the price of Conrail shares.

Honeywell gained \$1 1/4 to \$48 1/4, Colson \$1 1/4 to \$31 1/4, International Telephone \$1 1/4 to \$37 1/4, Xerox \$1 1/4 to \$40 1/4, Great Northern \$1 1/4 to \$58 1/4, and

Synex rose \$1 1/4 to \$34 1/4 on 70,500 shares.

Kleinert's were lifted \$1 1/4 to \$41 1/4 on a profit-taking first quarter and December 27, compared with a loss in the year earlier period.

**OTHER MARKETS**

**Canada irregular**  
Canadian stock markets were irregular, with moderate trading yesterday morning.

**OVERSEAS SHARE INFORMATION**

**NEW YORK**

**Stocks**

**Jan. 26**

**Jan. 27**

**Jan. 28**

**Jan. 29**

**Jan. 30**

**Jan. 31**

**Feb. 1**

**Feb. 2**

**Feb. 3**

**Feb. 4**

**Feb. 5**

**Feb. 6**

**Feb. 7**

**Feb. 8**

**Feb. 9**

**Feb. 10**

**Feb. 11**

**Feb. 12**

**Feb. 13**

**Feb. 14**

**Feb. 15**

**Feb. 16**

**Feb. 17**

**Feb. 18**

**Feb. 19**

The Industrial Share Index rose 1.26 to 154.96, Utilities 0.89 to 134.10 and Papers put on 1.04 to 114.66. But Gold came back 6.49 to 249.29. Base Metals eased 0.28 to 79.43, Western Oils slipped 0.04 to 210.06 and Banks dropped 0.05 to 240.43.

Massey-Ferguson moved up \$1 to \$24 1/4, Northern Electric improved \$1 to \$33, Alcan Aluminum gained \$1 to \$23 1/4 and International Nickel 'B' was \$1 1/4 higher at \$29 1/4.

Kaiser Resources rose \$1 to \$11 1/4 on earnings for the year.

PARIS—Mainly steady in quite lively trading, despite the raising of the Call Money Rate by 1 per cent to 8 per cent.

Banks, Motors and Electricals were mixed. Textiles weakened.

**Indices**

**NEW YORK**

**DOW JONES AVERAGES**

**Jan. 26**

**Jan. 27**

**Jan. 28**

**Jan. 29**

**Jan. 30**

**Jan. 31**

**Feb. 1**

**Feb. 2**

**Feb. 3**

**Feb. 4**

**Feb. 5**

**Feb. 6**

**Feb. 7**

**Feb. 8**

**Feb. 9**

**Feb. 10**

**Feb. 11**

**Feb. 12**

**Feb. 13**

**Feb. 14**

**Feb. 15**

**Feb. 16**

**Feb. 17**

**Feb. 18**

**Feb. 19**

**Feb. 20**

**Feb. 21**

**Feb. 22**

**Feb. 23**

**Feb. 24**

**Feb. 25**

**Feb. 26**

**Feb. 27**

**Feb. 28**

**Feb. 29**

**Feb. 30**

**Mar. 1**

**Mar. 2**

**Mar. 3**

**Mar. 4**

**Mar. 5**

while all sectors showed some improvement.

Gold Mines showed some heavy losses.

International Oils also declined, but the majority of American and German issues improved.

Dutch issues easier. Coppers irregular.

BRUSSELS—Broadly higher in very lively trading.

Steels, Irons, Cockerill rose Frs. 22 to 1,013 and Arbed Frs. 75 to 4,480. Chemicals gained ground. Solvay moved up Frs. 10 to 2,920 and Gevaert Frs. 52 to 1,300.

In strong Oils, Petroleum advanced Frs. 140 to 5,820. Among higher. Holdings, Brokers' Lendout put Frs. 40 to 2,100. Electricals and Utilities finished steady, while Metals were mixed.

U.S. shares rose strongly. South African Gold Mines declined. German issues little changed, while French and Dutch issues advanced.

GERMANY—Mixed following some profit-taking.

Banks were mostly higher. Commerzbank rose DM 30 to 209, Deutsche Bank DM 110 to 329.00 and Dresdner Bank DM 120 to 263.

Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

Well supply. Public Bonds showed little change, with the Regulating Authorities buying up a minor amount of stock. The Federal Rail 7-year 5 per cent Loan, issued at par, was quoted at 107.75 per cent. Foreign Arm 10.75 were mostly maintained.

AMSTERDAM—Generally firm. Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

Well supply. Public Bonds showed little change, with the Regulating Authorities buying up a minor amount of stock. The Federal Rail 7-year 5 per cent Loan, issued at par, was quoted at 107.75 per cent. Foreign Arm 10.75 were mostly maintained.

AMSTERDAM—Generally firm. Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

Well supply. Public Bonds showed little change, with the Regulating Authorities buying up a minor amount of stock. The Federal Rail 7-year 5 per cent Loan, issued at par, was quoted at 107.75 per cent. Foreign Arm 10.75 were mostly maintained.

AMSTERDAM—Generally firm. Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

Well supply. Public Bonds showed little change, with the Regulating Authorities buying up a minor amount of stock. The Federal Rail 7-year 5 per cent Loan, issued at par, was quoted at 107.75 per cent. Foreign Arm 10.75 were mostly maintained.

AMSTERDAM—Generally firm. Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

Well supply. Public Bonds showed little change, with the Regulating Authorities buying up a minor amount of stock. The Federal Rail 7-year 5 per cent Loan, issued at par, was quoted at 107.75 per cent. Foreign Arm 10.75 were mostly maintained.

AMSTERDAM—Generally firm. Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

Well supply. Public Bonds showed little change, with the Regulating Authorities buying up a minor amount of stock. The Federal Rail 7-year 5 per cent Loan, issued at par, was quoted at 107.75 per cent. Foreign Arm 10.75 were mostly maintained.

AMSTERDAM—Generally firm. Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

Well supply. Public Bonds showed little change, with the Regulating Authorities buying up a minor amount of stock. The Federal Rail 7-year 5 per cent Loan, issued at par, was quoted at 107.75 per cent. Foreign Arm 10.75 were mostly maintained.

AMSTERDAM—Generally firm. Shipings rose, with the exception of KNSM which fell.

Stores also firm, while Banks were steady to higher.

STANDARD AND POORS U.S. STOCK INDEXES

**Jan. 26**

**Jan. 27**

**Jan. 28**

**Jan. 29**

**Jan. 30**

**Jan. 31**

**Feb. 1**

**Feb. 2**

**Feb. 3**

**Feb. 4**

**Feb. 5**

**Feb. 6**

**Feb. 7**

**Feb. 8**

**Feb. 9**

**Feb. 10**

**Feb. 11**

**Feb. 12**

**Feb. 13**

**Feb. 14**

**Feb. 15**

**Feb. 16**

**Feb. 17**

**Feb. 18**

**Feb. 19**

**Feb. 20**

**Feb. 21**

**Feb. 22**

**Feb. 23**

**Feb. 24**

**Feb. 25**

**Feb. 26**

**Feb. 27**

**Feb. 28**

**Feb. 29**

**Feb. 30**

**Mar. 1**

**Mar. 2**

**Mar. 3**

**Mar. 4**

**Mar. 5**

**Mar. 6**

**Mar. 7**

**Mar. 8**

**Mar. 9**

**Mar. 10**

**Mar. 11**

**Mar. 12**

**Mar. 13**

NEW YORK, Jan.

The U.S. dollar lost ground in the foreign exchange market yesterday amid speculation that the French authorities were continuing to sell dollars to support the franc.

The franc was reported to have taken in a substantial amount of dollars during December in an effort to hold down the value of the franc and may now be taking the opportunity of disposing of part of its dollar holdings at a time when the weakness of the Italian lira has been reflected in pressure on certain other European currencies.

A report that New York City is behind schedule in action to solve its financial problems may have put some pressure on the dollar and its trade-weighted average depreciation since the Washington Currency Agreement, as calculated by Morgan Guaranty, widened to 2.88 per cent from 2.15 per cent.

State Loans were improved to Frs. 4.45 in terms of the dollar, compared with Frs. 4.5015 on Friday, and the West German mark was slightly firmer at D12.60, against the previous D12.6045, but reaction to the improvement in the latest West German trade surplus was subdued. The Italian lira recorded its first gain since the closing of the Italian foreign exchange market last week, with its depreciation on the Morgan Guaranty basis narrowing to 37.25 per cent from 37.46 per cent.

The good commercial demand for sterling was maintained. Following the firming of the pound of last week, The pound opened at \$2.0250-0.0250 and touched at \$2.0250-0.0250, a gain of 0.0005 on the day. The trade-weighted depreciation, as calculated by Morgan Guaranty, widened to 2.88 per cent from 2.15 per cent.

Among foreign stocks, buying interest centred on Dollar shares which closed sharply higher. Dutch Internationals and Germans were well maintained.

HONG KONG—Higher in morning trading. The Hong Kong market was up 30 cents to HK\$19.90, Hong Kong Land 20 cents to HK\$1.20, Hutchison 15 cents to HK\$2.25, Jardine 50 cents to HK\$1.20, and Anglo 20 cents to HK\$1.20.

TOKYO—Markets continued to rise, with continued selective buying in the centring of Motors (Electric Appliances and other Blue Chips). Volume 380m.

JOHANNESBURG—Gold shares followed the lower bullion price. Financial Minings also eased.

Coppers, Palamin rose 15 cents to R10.35. Platinum was little changed.

Industrials were featureless, although profit-taking reduced some gains.

AUSTRALIA—Markets closed yesterday—Australia Day.

**GERMANY**

**MILAN**

**AUSTRALIA**

**JOHANNESBURG**

**SPAIN**

**STOCKHOLM**

**COPENHAGEN**

**AMSTERDAM**

**PARIS**

**BRUSSELS**

**TOKYO**

**SWITZERLAND**

**OSLO**

**VIENNA**

**BERLIN**

**LONDON**

**FRANKFURT**

**ZURICH**

**STUTTGART**

**DUBLIN**

**ATHENS**

**BOLOGNA**

**GENOVA**

**LAKE**

**MANCHESTER**

**LYONS**

**PARIS**

**ROME**

**VALPARAISO**

**SANTIAGO**

**BUENOS AIRES**

**SAO PAULO**

The Bank of England, reported to 30 per cent from 30.1 per cent.

Gold fell \$3 to \$125.125 in fairly nervous trading. The Kruggerand's premium over its gold content narrowed to 4.50 per cent from 5.24 per cent, in the domestic market, and widened to \$3.88 from 2.91 in international dealings.

A report that New York City is behind schedule in action to solve its financial problems may have put some pressure on the dollar and its trade-weighted average depreciation since the Washington Currency Agreement, as calculated by Morgan Guaranty, widened to 2.88 per cent from 2.15 per cent.

State Loans were improved to Frs. 4.45 in terms of the dollar, compared with Frs. 4.5015 on Friday, and the West German mark was slightly firmer at D12.60, against the previous D12.6045, but reaction to the improvement in the latest West German trade surplus was subdued. The Italian lira recorded its first gain since the closing of the Italian foreign exchange market last week, with its depreciation on the Morgan Guaranty basis narrowing to 37.25 per cent from 37.46 per cent.

The good commercial demand for sterling was maintained. Following the firming of the pound of last week, The pound opened at \$2.0250-0.0







## STOCK EXCHANGE REPORT

## Fresh gains to 1½ in strong Gilt-edged while firm equities take index up 4.3 at new 75-76 peak of 404.1

## Account Dealing Dates

\*First Declara- Last Account  
Dealing Date Dealing Date  
Jan. 12 Jan. 23 Jan. 23 Feb. 3  
Jan. 26 Feb. 5 Feb. 6 Feb. 17  
Feb. 9 Feb. 19 Feb. 20 Mar. 2

\*New time "dealings may take place  
from 9.30 a.m. to 2.00 p.m. on Feb. 20.

Still reflecting last Friday's surprise reduction in Minimum Lending Rate and the exhaustion of the long "tap" stock, Gilt-edged securities remained the dominant sector in stock markets yesterday. A good demand was seen throughout the sector with the longer end of the market stimulated by the continued absence of a replacement issue for the exhausted "tap". Final gains in this area ranged to 1½ points, although quotations were below the day's best, a modest reaction being attributed to switching activity following the Chancellor's pledge to introduce measures in the next few months to curb unemployment, new which gave rise to deflationary fears. The Government Securities Index closed 0.73 higher at a new 1975-76 peak of 63.53, for a rise of 1.47 over the last two trading days.

Leading Industrials were overshadowed by Gilts. Nevertheless, prices made further small headway in quiet trading before shading slightly towards the close. Up 3.3 at the best of the day at 3 p.m., the FT 30-share index closed a net 4.3 higher at a fresh 1975-76 peak of 404.1.

Overall the tone was generally firm, but demand for secondary issues was selective. Rises led by 8-2 in FT-quoted Industrials, while the FT-Actuaries All-Share index advanced 1½ per cent. to a 1975-76 peak of 160.48. There was a slight improvement in the level of activity as measured by official markings of 8,813 compared with 7,865 last Friday and 8,183 a week ago.

The volume of business in contract currency continued to contract and the premium, after fluctuating modestly closed unchanged on balance at 114 per cent. Yesterday's SE conversion factor was 0.5992 (0.0006).

## Banks below best

The big four banks made progress, but closed a few pence below the best. Barclays came to rest 3 higher at 94.50, after 34.80, while Lloyds were similarly better at 27.50, after 27.80. Midland hardened 3 at 31.50 as did National Westminster at 28.80. National and Commercial, helped by Press comment, edged forward 2 to 58.0. Merchant banks did well with Hambros particularly favoured at 21.00, up 5 after 21.25. Anthony Gibbs improved 5 to 33.0 and Kleinwort Benson gained 4 to 24.0. News of the Board appointments and substantial staff cuts left Slater Walker Securities un-moved at 20.0.

Insurance Companies took last Friday's advance a step further. Sun Alliance rose 9 to 45.70 and Phoenix 6 to 25.40. General Accident also added 6 to 18.40 after Press speculation of a possible 500m. to 530m. "rights" issue being announced in the near future. Arjong brokers, Leeds and Godwin were popular at 10.50, up 0.9.

Breweries scored modest gains. Allied, 7.30, Bass Charrington, 10.00, and Whitbread "A", 7.10, all improved a penny; the last named aided by Press comment. Elsewhere Distillers edged forward 2 to 14.00.

Movements of note were few and far between in Buildings, RMC picked up another 3 at 90.0, while Albioncrete, 6.20, and Norwest Holst, 4.30, put on 4 apiece. Liner Concrete Machinery finished a penny harder at 23.00, the 78p bid. Elsewhere, the new mill paid shares opened at 9p premium and closed at 10p premium following.

ing a light trade. Johnson Construction Equipment moved up a penny to 2.50 on the first-half profits increase, while rises of 3 were scored by William Maltinson, 4.50, and May and Hassell, 5.00. On the bid front, M. C. Jones hardened 6 to 1.50 in sympathy with a rise of 3 in Barratt Developments at 12.50, Burnett &

exceptionally dull at 5.50, down 3.

On the warning about the profitability of the menswear retailing division, British Home Stores gave up 3 to 3.50, while Marks and Spencer, 10.00, and UBS, 8.50, shed a penny apiece. Of the few firm spots, Henderson-Kent hardened 3 to 5.00 and Lee Cooper moved up 5 to 8.00. John Michael (Saville Row), at 1.50, re-opened half of Friday's loss of 2 which followed the disclosure of an increased loss. Shots were noteworthy for a rise of 4 to 7.00 in Gannar Scotland.

Electrical retailers made further progress in light trading. However, third-quarter results much as expected left Plessey unaltered at 7.70, after 7.60. GEC improved 4 more to 1.50. The 15p Bevelite Parsons closed 3½ higher at 9.50 for a two-day rise of 5.1 and Phillips Lamp pushed ahead 1 more to 10.0. BICC put on 3 to 12.00 and EMI 2 to 24.50. Elsewhere, Dorman Smith, 11.50 and Laurence Scott, 3.50, recorded improvements of 4 apiece. Ultra Electronics, following last Friday's Press-inspired rise of 5, ended a penny higher at 6.20 after 6.10. While Press mention helped Rascal Electronics to gain 2 at 24.00. The profits projection in the formal documents for the acquisition of television rental, which from Lloyds Retailers led Electronic Rentals similarly better at 6.00. Henry Wigfall eased to 1.50 on the interim report before recovering to close only a penny easier on the day at 1.70.

Hallamshire were quoted a penny easier at 3.50, the scrip issue. Chemicals sported some good gains. Rises of 4 were scored by ICI, 3.50, and Algalene, 1.50, while Allied Colloids advanced 9 to 11.30. British Benzol rose 3 to 24.00 and Fisons 5 to 40.00.

## Weston Pharm. good

Press comment on the bid situation brought about another lively trade in Weston Pharmaceuticals, which improved 11 further to a 1975-76 peak of 7.70 for a two-day rise of 2.0. Dixon's Photographic "A", the bidders, advanced 5 to a 1975-76 peak of 7.80. Elsewhere, the dividend generally quiet and little changed. Burton "A", however, proved

with good features these occurring outside of the leaders which had gained as in ICI, 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.


Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.

Press comment encouraged support of John Brookhouse, up 11 at 20.00, and of Warner Wright, which rose 5 to 3.50, while Jervis Cooper spurred 8 to 3.50.



## INSURANCE, PROPERTY, BONDS



# The Wigfall Group of Companies

Report for the half year ended 11 October 1975.

	28 weeks to 11th Oct. 1975	28 weeks to 12 Oct. 1974
Profit before depreciation, and loan stock but after all other charges	£000	£000
	3,609	3,267
Depreciation	2,479	2,290
Stock Interest	72	72
Profit before Taxation	958	905
Income	nil	nil
Profit after Taxation	958	905

Unaudited Figures

[illegible][illegible]



## SUPPLEMENTARY FINDINGS

[illegible]



• •

Unless otherwise indicated, prices and net dividends are in pence and are based on the following assumptions: All distributions and rights cover are based on latest annual reports and accounts and, where available, are supported by statutory figures that are not subject to audit. P/E ratios are calculated on the basis of the latest distribution bracketed figures indicated 10 per cent, or more, above the current market price. Dividend cover is based on "maximum" distribution. **Yields**, assuming maintenance of net dividends at current levels, are based on the current market price. **Yields** are calculated to allow for value of declared distributions and rights. **Societies** with distributions other than sterling are quoted in the appropriate currency.

14 Sterling denominated securities which include investment  
15 "Thp" stock.  
16 Rights and loans marked that have been authorized to allow for  
17 rights issues for cash.  
18 Rights and loans increased or resumed.  
19 Interim since reduced, paused or deferred.  
20 Tax-free to non-residents.  
21 Rights or coupon suspended.  
22 Prime and insurance reserve allocations may preclude  
23 dividend payment.  
24 Price at time of suspension.  
25 Indicated dividend after proposed scrip and/or rights issue.  
26 Dividend is to be paid in future dividend or forecast.  
27 Free of Stamp Duty.  
28 Dividend in progress.  
29 Not comparable.  
30 Same as interin, reduced final and/or reduced earnings.  
31 Based on 1973 profits.  
32 Dividend in lieu of payment of shares not now ranking for  
33 dividends or making only for restricted dividend.  
34 Cover does not include rights which may also rank for  
35 dividends in future date. No P/E ratio usually provided.  
36 Excluding a final dividend declaration.  
37 No par value.  
38 Tax free. Figures based on prospectus or other official  
39 documents. **C** Cents. **D** Dividend rate paid or payable on part of  
40 capital; cover based on dividend on full capital. **R** Redemption  
41 price. **E** Earnings. **L** Last issued dividend. **P** Preference  
42 dividend. **A** Annual dividend and yield after scrip issue. **I** Payment  
43 from capital sources. **K** Keeps a interim higher than  
44 previous year's earnings. **M** Most recent dividend figures.  
45 **A** Australian currency. **D** Dividend and yield exclude  
46 a special payment. **I** Indicated dividend; cover relates to  
47 dividend only. **L** Last issued dividend. **P** Preference  
48 dividend. **C** Cover based on previous year's earnings.  
49 **T** Tax free up to 50p in the £. **Y** Yield allows for currency  
50 conversion. **Y** Yield based on margin figure.  
51 **D** Dividend and yield include a special payment; Cover does not  
52 apply to special payment.  
53 **W** Preference dividend passed or  
54 deferred. **C** Canadian. **E** Issue price. **A** Annual dividend  
55 and yield. **L** Last issued dividend. **P** Preference dividend  
56 based on prospectus or other official estimates for 1973.  
57 **N** Dividend and yield based on prospectus or other official  
58 estimates for 1973. **S** Significant. **T** Taxable. **D** Dividend total to date.

Abbreviations: **o** on dividend; **sc** scrip issue; **sc** or rights; **sc** as call; **sc** as capital distribution.

49 Recent Issues and "Rights" Page 21



Registered at the Post Office. Printed by St. Clements Press Ltd. for and in  
by the Financial Times Ltd., Bradlan House, Cannon Street, London, E.C.